

Electronics For Kids

of all ages

THE TOY BUYERS' GUIDE TO CONSUMER ELECTRONICS

Vol. 21, No. 6

A TOY & HOBBY WORLD SUPPLEMENT

January/February 1983

EXECUTIVE SPOTLIGHT



ELECTRONICS FOR KIDS asks Jim Levy, president of Activision, Inc.:

Has a shakeout in the video game market begun, or have the recent problems of certain game manufacturers been just isolated instances?

We have always said that there will be stronger and weaker competitors in this market, as it matures, and perhaps that the

Continued on Page S10

Video Game Market Shifts Are Expected

By STEVE SMITH

Even before the dust settled on the 1982 fall selling season many observers of, and participants in, the \$2 billion-a-year video game category realized that this ever-changing industry had begun to evolve once more.

This relatively new industry, which by all projections should continue to grow at a phenomenal rate during the next two years, has begun to mature.

INDUSTRY RUMBLINGS

With the industry's new maturity comes the eventual growing pains that accompanies any evolutionary process. Rumbings of the long-awaited shakeout in the category began during the final quarter of last year when two manufacturers came very close to dropping out of the market.

Michele Preston, a consumer electronics analyst for the New York-based investment firm Cyrus J. Lawrence, Inc., says, "I'm surprised that only two game companies are having problems. To be in the (video games) business you must have a couple of hit cartridges, because retailers and consumers are just buying hits."

Before the end of this year, or possibly the end of the first half,



The aisles were packed at the Summer CES held in Chicago last year, but the EIA's Consumer Electronics Group expects the largest CES ever in Las Vegas this month. (See story on Page S8.)

industry leaders expect to see three, or possibly four, suppliers of video game hardware manufacturers still in business. On the software side, they predict that about ten companies will still be making game cartridges.

Both manufacturers and industry

Continued on Page S14

New SW Firms Expected in Home Computer Field

By RICHARD D.R. HOFFMANN

Independent third-party manufacturers of home computer software seem to be coming out of the woodwork as the home computer hardware market continues to build sales.

The current pace suggests, observers say, that the home computer software market will soon become as crowded as its very successful predecessor, the video game cartridge market. And, now that toy chains such as Toys R Us and mass merchants like K-Mart have begun marketing home computer hardware, the crowd is rushing to toy outlets of all descriptions, hoping to gain as many retail outlets as possible for their product.

The category breaks down into several types of home computer software:

- Games—arcade-style, which stress hand-eye coordination; fantasy/adventure games, requiring a greater degree of mental dexterity than the arcade-type games; and educational games, combining fun and learning.

- Educational Software—product originally developed for schools reformatted for home use, or original programming for home computers, covering topics ranging from geography to English to mathematics.

- Utilities—software programs

Continued on Page S24

Self-Contained Game Market Rebounds

By RICK ANGUILLA

With licensed arcade-type games leading the way, the portable electronic games market has begun to show signs of stabilization. In recent months, manufacturers and toy buyers both have demonstrated their willingness to back a carefully selected line of self-contained

electronic games.

Much of this caution has come about as a result of the oversaturation of the self-contained market in 1981. When a large number of "knockoff" games entered the market, retailers resorted to severe price cutting in order to cut down on their high inventories.

Toy buyers, while remaining cautious in their buying attitudes, are now looking at a marketplace that's in healthier shape than it was a year ago. "Yes, we're still buying conservatively," says Larry Poland, electronic toy buyer for Federal Wholesale Toy in La Mirada, Ca. "But we're finding that a lot of those manufacturers who got into the market when it was real hot are gone now, and only the major suppliers are still in it. We are starting to see some stabilization."

BUYERS ARE SELECTIVE

The shakeout drove many manufacturers out of the business and caused many toy buyers to take a tentative approach toward handhelds. In addition, those manufacturers who remained in the business were forced to become more selective in the products they market.

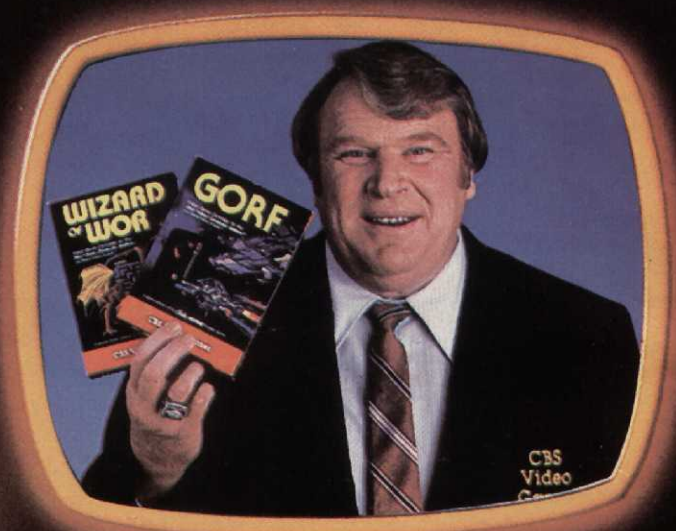
The bulk of that excess inventory has been moved through the system but the problems it caused forced many buyers to approach handhelds with a degree of moderation.

Continued on Page S32



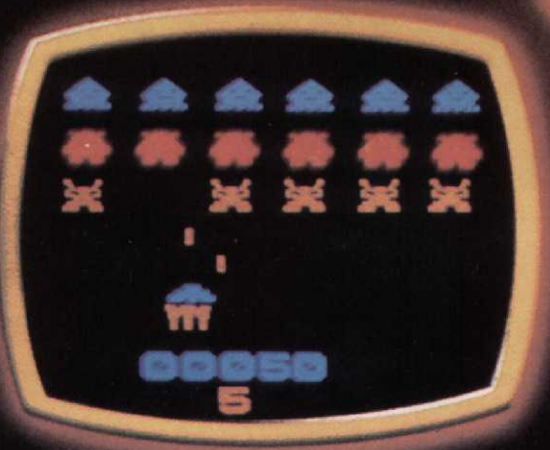
Portable electronic games and learning aids are often displayed in the same area, as in this New Jersey toy outlet.

John Madden Explains the CBS Video Game Plan



2. Sign up a big name sports personality — and back him with big bucks.

For additional impact, it helps if he has a big mouth. We're cutting through the clutter with commercials that really stand out from the crowd. Your best customers will really turn on to the "Challenge of Champions" campaign. And we're backing this first big promotional drive with three million dollars — during just four weeks in December and January.

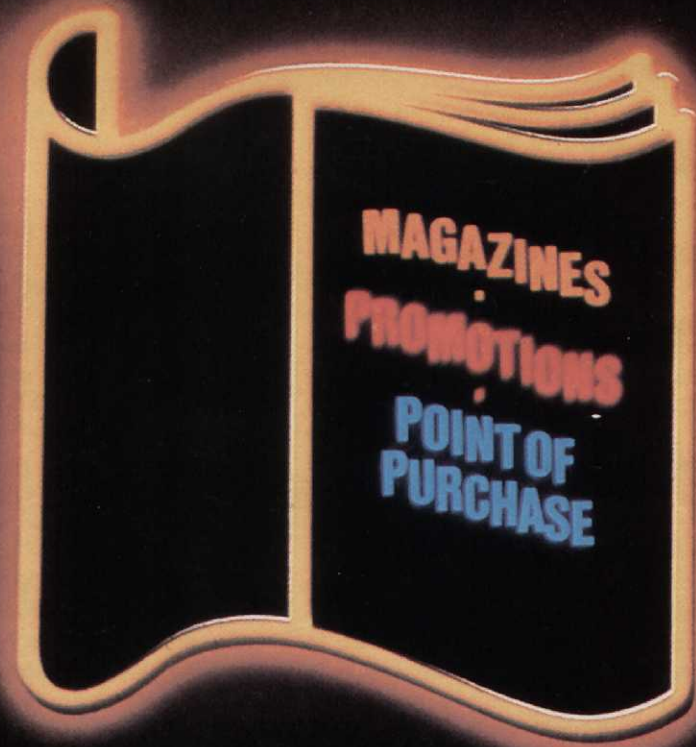


1. Look for a proven track record.
I like being associated with winners. That's why I've teamed up with CBS Video Games. Their first two games, Wizard of Wor™ and Gorf™, have proved themselves in arcades. And they're proving themselves in your stores.

Wizard and Gorf are just the beginning of a whole new line of gangbuster CBS Video Games. Hot on their heels are two brand new Bally/Midway arcade games, Blueprint™ and Solar Fox™.

And right behind them are two next-generation thrillers. Both are technological breakthroughs with graphics and play that will light up the Atari® VCS™ like never before.

**Call your nearest
CBS Video Games distributor.**



3. We created traffic-building promotions that hit the heavy game purchaser.

Here are two extraordinary promotions no video game fan can pass up. First, we have an unbeatable money-back offer: If your customers buy either game and don't find it challenging enough, they get a refund. We also have a free game offer: When your customers purchase both games, they get a super game — a game you can't buy in any store — FREE.

And if this isn't enough, every package comes with a special premium offer.

ACOUSTIC CREATION SERVICES
Cheshire, Connecticut 06410
203-272-2755

ALMO ELECTRONICS CORPORATION
Philadelphia, Pennsylvania 19114
215-698-4000

A. PONNOCK
Camden, New Jersey 08105
609-966-0730

B. A. PARGH COMPANY, INC.
Nashville, Tennessee 37217
615-361-3600

BLATT DISTRIBUTING COMPANY
La Mirada, California 90637
213-868-0811

CHANCELLOR, INC.
Fairfield, New Jersey 07006
201-227-4010

COMMTRON CORPORATION
Des Moines, Iowa 50321
515-244-8233

CTD INC.
Fort Wayne, Indiana 46805
219-484-2556

DUTCH VALLEY DIST.
Stone Mountain, Georgia 30083
404-934-9040

EAST TEXAS PERIODICALS
Houston, Texas 77054
713-748-8120

ELECTRONIC ADVANCE DIST.
Miami, Florida 33166
305-883-8585

FEDERAL WHOLESALE
La Mirada, California 90638
213-587-5071

FIRST IDEAS
Albany, NY 12204 518-463-3251

GREENMAN BROTHERS
Farmingdale, NY 11735 516-293-5300

GROSSMAN SALES
Louisville, KY 40201 502-587-0747

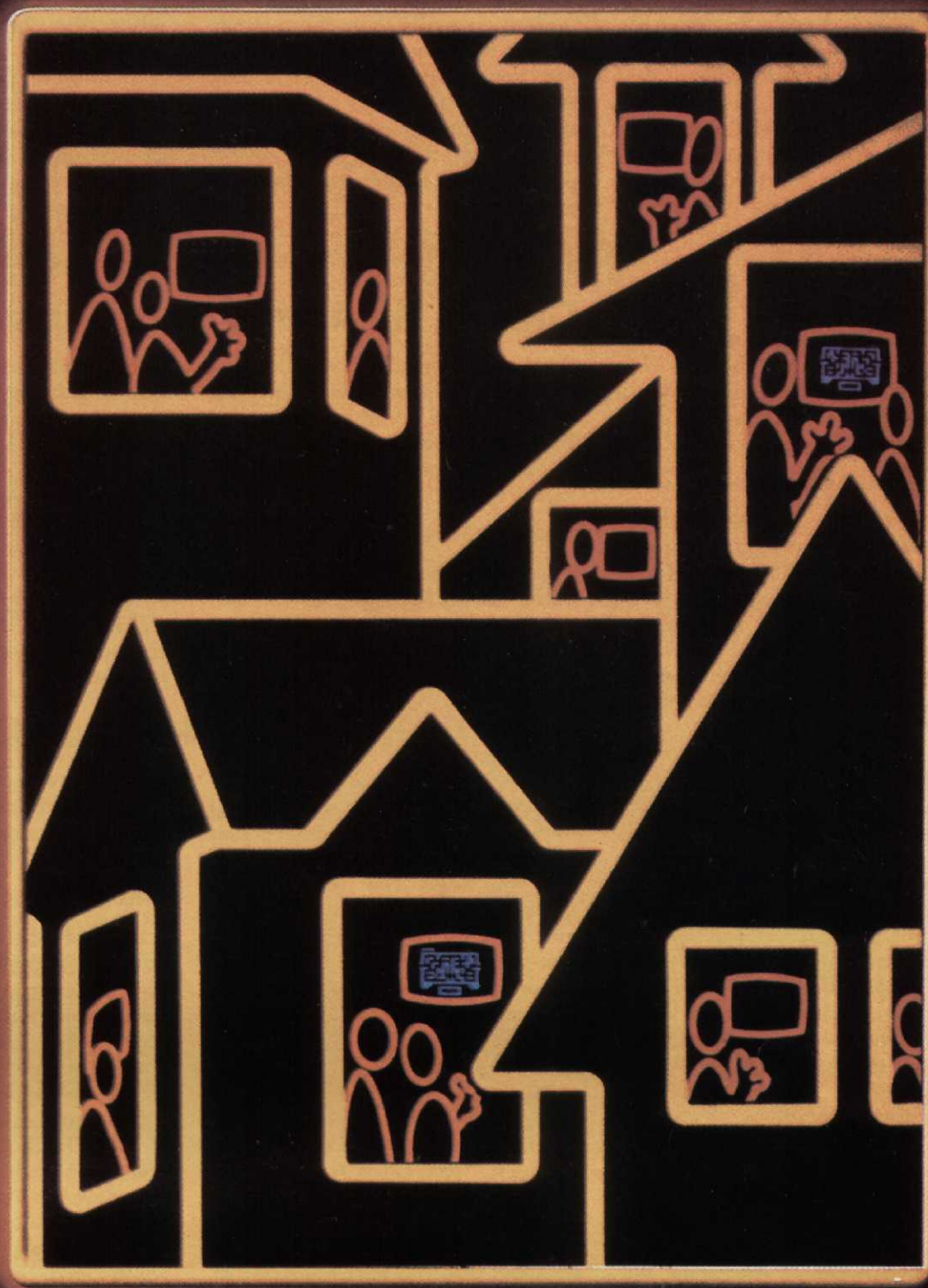
LEISURE INDUSTRIES
Wheeling, IL 60090 312-541-8800

4.

A big score for everyone. CBS Video Games has just begun to capture the market. We're ready for all those millions of Atari® VCS™ owners. In March, we're shipping Intellivision® versions of all four Bally/Midway games and Coleco will be selling ColecoVision® versions soon.

And with CBS Software, we're ready for the personal computer market with games for the Atari® 400™ and 800™, Texas Instruments, and Commodore personal computers.

By covering this expanding market from all angles, CBS knows its business will keep growing. And as its business grows, your business grows. Just the way we planned.



Come see us at CES,
Booth 925

CBS Video Games

We've put the challenge in our games, and taken it out of selling.

MARTIN ZIPPEL
Phillipsburg, New Jersey 08865
201-454-1234
MID-STATES APPLIANCE SUPPLY CO.
Springfield, Illinois 62703
217-544-8433
MICROSEL DIST. CO.
Milpitas, California 95035
408-946-6808

MILTON D. MYER
Carnegie, Pennsylvania 15106
412-923-2933
M. W. KASCH
Mequon, Wisconsin 53201
414-242-5000
NORTHERN SPECIALTY
San Jose, California 95122
408-293-3363

OTASCO
Tulsa, Oklahoma 74102
918-437-7171
RPC ELECTRONICS
Pittsburgh, Pennsylvania 15238
412-782-3770
SHEPHERD DIST.
Brooklyn, New York 11208
212-649-2525

SOUTH EAST TOYS, INC.
Atlanta, Georgia 30336
404-344-6830
STANLEY HOUSE CORPORATION
Del Ray Beach, Florida 33444
305-276-0119
STEM-NICKMAN COMPANY
Cleveland, Ohio 44131
216-749-7000

STRAITLINE MARKETING, INC.
Flushing, New York 11355
212-445-4225
WILLIAMS DISTRIBUTING CO.
Grand Rapids, Michigan 49503
616-456-1613
VIDEO TRENDS
Farmington Hills, Michigan 48018
313-474-0300

Circle No. 2 on product card

© 1983 CBS Inc. "Wizard of Wor," "Gorf," "Solar Fox" and "Blueprint" are trademarks of Bally/Midway Mfg. Co. "Atari," "Atari VCS," "Atari 400" and "Atari 800" are trademarks of Atari, Inc. "Intellivision" is a trademark of Mattel, Inc. and "ColecoVision" is a registered trademark of Coleco Industries, Inc.

Atari Files Infringement Suits Against Coleco, Imagic

SUNNYVALE, Calif.—In separate actions, Atari has filed infringement suits against Coleco and Imagic.

Atari's suit against Coleco concerns the Expansion Module No. 1, which allows Atari VCS-compatible cartridges to be played on ColecoVision. The suit charges unfair competition and patent infringement and seeks damages of more than \$350 million.

According to the Atari suit, the Coleco expansion module infringes on two Atari chip patents that control the graphics and sound in the games.

COUNTERSUIT PLANNED

At press time, a Coleco spokesman said that the company planned to file a \$500 million countersuit charging Atari with violations of antitrust laws. The spokesman added that Coleco had been expecting legal action from Atari concerning the expansion module.

In its legal action against Imagic, Atari claims that Imagic's Demon Attack video game is a copy of the arcade game Phoenix.

Atari is producing the home video version of Phoenix under an exclusive license from Centuri, Inc.

The suit, filed in San Francisco Federal District Court, claims that the sale of Demon Attack constitutes copyright infringement and unfair competition. Atari is seeking an injunction and unspecified damages against Imagic.

Raymond E. Kassir, chairman and chief executive officer of Atari, states that the company regards, "the Imagic version of Phoenix as an infringement of Atari's rights."

Kassir adds, "The relative success of Demon Attack in the

market confirms to us the number of avid Phoenix fans who are buying Demon Attack in order to play Phoenix. With Atari's introduction of the authentic game, the presence of Demon Attack in the marketplace is confusing to the consumer."

In a prepared statement, Imagic denied, as completely without

merit, the charges brought forth by Atari.

In another patent infringement case, Atari said it had won a temporary injunction against Commodore that prevents the computer manufacturer from making and selling joysticks for home computers that are similar to Atari's joysticks.

The suit, originally filed in October, contended that Commodore's joystick was, except for its color, similar to Atari's.

Atari said the Commodore joystick contained some flaws that would cause it to break prematurely and it did not want consumers to associate the broken joysticks with Atari.

Games By Apollo Reorganizes Under Chapter 11

DALLAS—Games By Apollo, the Richardson, Texas-based manufacturer of video game software, has filed for reorganization under Chapter 11 of the Federal Bankruptcy Code.

THREE PRINCIPAL CREDITORS

In filing for protection, Apollo listed assets of over \$3 million, mostly in accounts receivable and inventory. Liabilities were reported at under \$4 million. The three

principal creditors reportedly are the CIT Corporation, Benton & Bowles advertising agency, and chip supplier Hamilton-Avnet.

Games By Apollo was founded in October of 1981 and shipped its first Atari-compatible cartridge, Skeet Shoot, two months later. After reporting over \$500,000 in sales for March, 1982, four new cartridges were introduced at CES in June.

In July, Apollo announced a \$6 million advertising campaign with Benton & Bowles. Original plans called for six more Atari-compatible cartridges by the end of '82 plus cartridges for the Intellivision system.

At press time, Games By Apollo was reportedly looking for new inventors although company president Pat Roper was unavailable to comment on Apollo's financial problems.

Starpeth Forms Merchandising Unit

SANTA CLARA, Calif.—Starpeth Corporation recently instituted a network of field merchandisers in each of the company's ten major U.S. markets. The fifteen field merchandisers regularly visit dealers to provide information and demonstration of Starpeth's Supercharger and home video games as well as aid in inventory control.

SUPPORTS DEALERS

"The field merchandisers are an integral part of our effort to fully support dealers who carry Starpeth products," said Dave Travis, director of national and international sales.

The Supercharger, which can be inserted into the cartridge slot of,

the Atari Video Computer System is claimed to increase the Random Access Memory (RAM) of the system almost 50-fold.

TWO NEW FACILITIES

In another development, Starpeth has expanded into two additional locations near its Santa Clara base. Company president Alan Bayley cited accelerated research and personnel additions as the prime reasons for the move.

New corporate headquarters are at 2005 De la Cruz Blvd. in Santa Clara. Starpeth's engineering division now has its own facility at 331 Mathews St. and the third office is at 324 Martin Avenue, both in Santa Clara.

Tomy Forms Own Computer Unit

CARSON, Calif.—Tomy Corporation has formed a Home Computer Division which will present its first hardware and software products this spring.

Jack Tweddle has joined the division as vice-president of sales and marketing. He will head the division's operations and report directly to Tom Shimizu, senior vice-president of Tomy.

The home computer will be produced in the firm's manufacturing plants in Japan, Tweddle says. He expects to debut the new system and software at the Summer CES in June.

Continued on Page S10

Electronics For Kids

of all ages

Charleson Publishing Co.

Vol. 21, Number 6

Jan./Feb. 1983

EDITORIAL OFFICE:

124 East 40th Street
New York, NY 10016
(212) 953-0950

CIRCULATION DEPARTMENT:

P.O. Box 1226
Darien, CT 06082
Alice Johnson, Circ. Mgr.

CO-PUBLISHERS:

EDITOR:

EDITORIAL SUPERVISOR:

ASSOCIATE EDITOR:

CONTRIBUTING EDITOR:

ADVERTISING MANAGERS:

PRODUCTION MANAGER:

ASST. PRODUCTION MGR.

Harvey Stern & Judy Basis

Stephen F. Smith

Milton Schulman

Rick Anguilla

Richard D.R. Hoffmann

Richard Meth, Elissa Joinson,
Renee Kaye

Karen L. Maikisch

Cindy Alley

©1982 by TOY & HOBBY WORLD. Published monthly by Charleson Publishing Co., 124 East 40th Street, New York, NY 10016. David M. Charleson, President; Ira Ellenthal, Executive Vice President; Harvey Stern, Vice President; Peter Ephraim, Vice President; Paul Cohen, Vice President; Stephen Bentkover, Vice President. Subscription rates \$20 per year, foreign \$60, airmail \$130.

Other Charleson Publications: Food & Beverage, Leisure Time Electronics, Modern Floor Coverings, Non-Foods Merchandising, Product Marketing and T & HW's Weekly Market Report.

Index

FEATURES:

A changing video game market \$1, \$12

More home computer software suppliers expected \$1, \$24

The portable electronic game market shows stability \$1, \$34

Views on the portable learning aids category \$36

DEPARTMENTS:

Opinion: Co-Publishers \$8
Editor \$10

Executive Spotlight \$1, \$10

Video Games \$19

Home Computers \$25

Portable Electronic Games \$34

Children's Videocassettes \$37

Guest Viewpoint \$41

EduFun!

Something for Everyone

EduFun! . . . educational computer games from Milliken Publishing Company, the leading publisher of educational software and teaching aids for schools. Designed to excite parents, kids, and you, the retailer.

EduFun! . . . there's something for everyone.

Educational Value

With years of experience and success in schools, we at Milliken know what kids need and like to learn. Parents, concerned about their kids playing video games, will realize that Milliken's **EduFun!** educational computer games offer great educational value.

Whether parents would like to challenge their kids, provide them with extra help or help them get ahead, **EduFun!** games are just right.

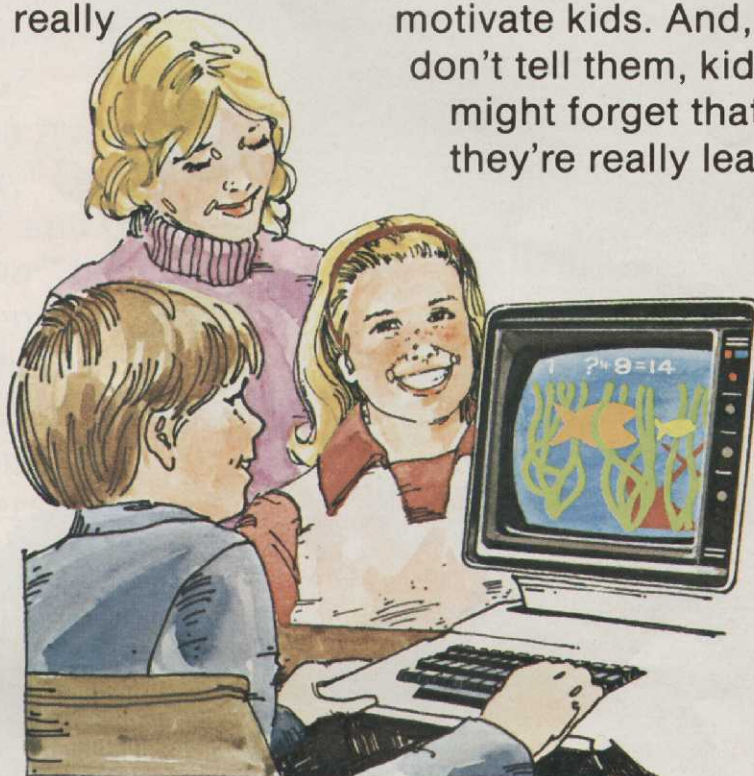
And, who knows, mom and dad just might play a game or two themselves.

Learning Fun

We all know that kids love to play games.

Available on the Atari 400 and 800 and Apple II+ Computers.
Available soon on the VIC 20 and TI 99/4 Computers.

EduFun! games offer the same excitement, challenge, color, sound, and graphics which really motivate kids. And, please don't tell them, kids just might forget that they're really learning.

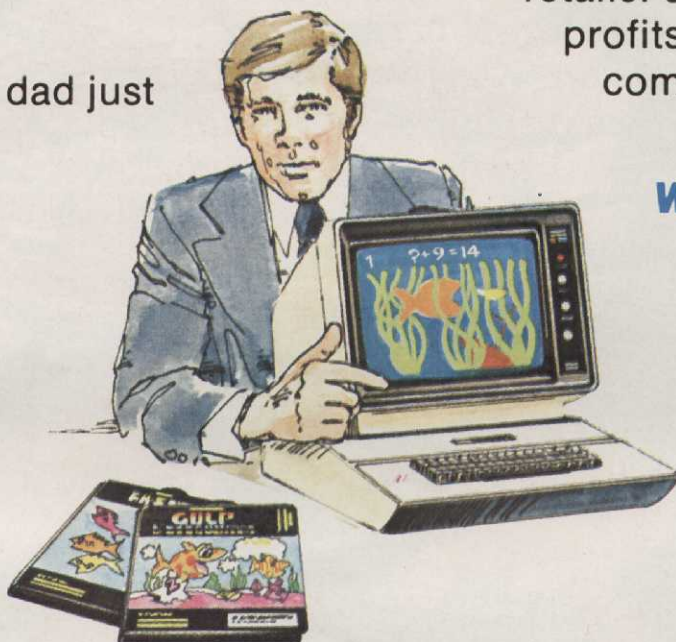


Learning made fun for kids of all ages.

Increased Sales and Profits

Educational software used to sit on the retail shelf —until **EduFun!** Our product is designed to sell through — from quality packaging and game design to extensive promotion. It's the retailer's ticket to increased sales and profits. From a company fully committed to a booming market.

Watch us make learning fun and profitable, too.



EduFun!

A Division of Milliken Publishing Co.
1100 Research Blvd.
St. Louis, MO 63132

Circle No. 3 on product card

A REVOLUTION



UTION IN CHILD'S PLAY

THE ATARI[®] KID'S LIBRARY.™

With the introduction of a new series of home video games designed especially for children, Atari has created a market with enormous potential for growth. Again.

ATARI, SESAME STREET AND MILLIONS OF PRE-SCHOOL CHILDREN GET TOGETHER IN MAY.

The very first Atari Kid's Library™ games will be for children ages three to seven.

Developed by Atari and Children's Computer Workshop,™ an activity of Children's Television Workshop,™ the games

combine the educational objectives of Sesame Street with all the fun of Atari.

Old friends like Grover,™ Big Bird,™ Oscar™ and Cookie Monster™ help young children practice pre-school skills.

Letter-matching, for example. Or numbers. Or problem-solving, to name just a few.

And a specially-designed controller makes it very easy for little hands and growing minds to get in on the fun.

The controller and the first of five Sesame Street games for the Atari 2600 Video Computer System™ will appear in May. Soon

after that, you'll see three more games for the 2600, and three for Atari's new SuperSystem, the 5200.

FOR BIGGER KIDS, MORE GREAT GAMES AND GREAT NAMES: PEANUTS AND DISNEY.

Later in the year, older kids will get their turn, when we introduce video games just for them.

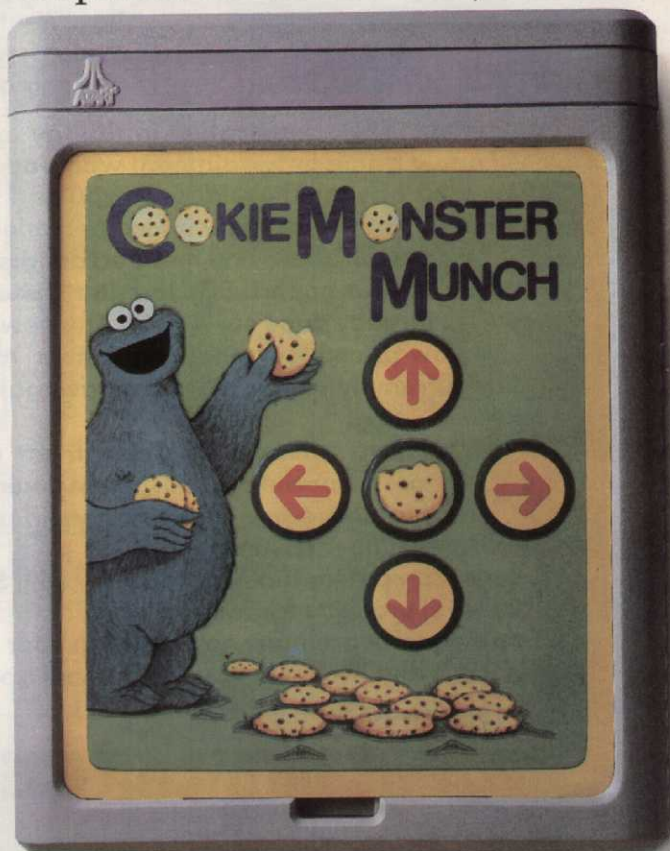
These challenging, stimulating games feature the greatest names in children's entertainment. The

Disney video games will come out in July. Followed by the PEANUTS games, which appear in September.

And those are just the games for the 2600. We'll add even more this fall for the 5200.

AN IMPORTANT PART OF THE EDUCATIONAL PROCESS: ADVERTISING.

Our advertising and promotional campaign will be an extensive one, with commercials on prime-time television, adver-

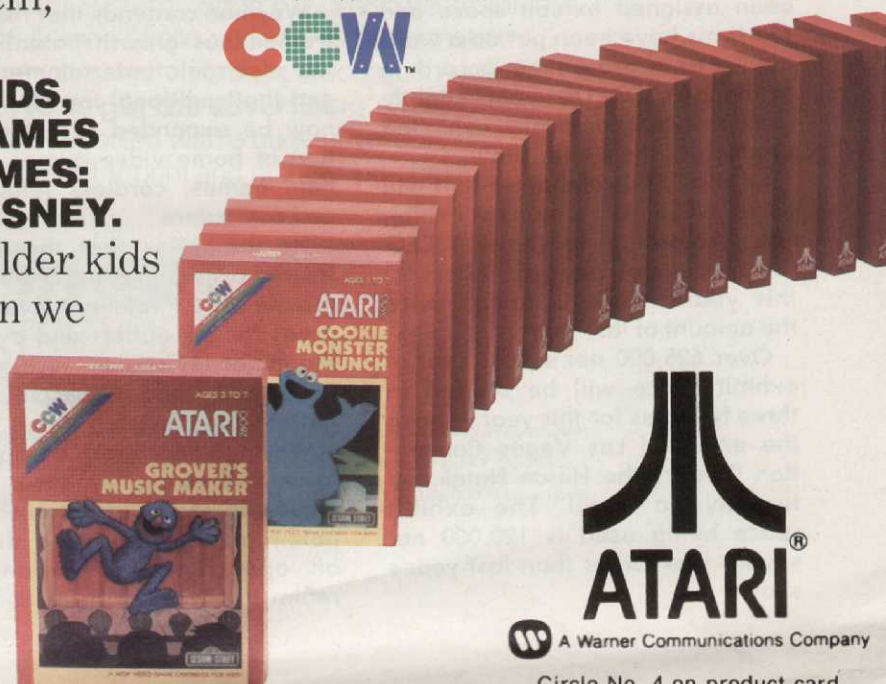


tisements in major magazines, and a full schedule of promotional programs throughout the year.

The reasoning behind all of this is simple: once parents fully understand what the Atari Kid's Library can do for their children, we'll be home.

© 1983 ATARI INC. © 1983 Children's Computer Workshop. Sesame Street is a Registered Trademark of The Children's Television Workshop. Muppet Characters © 1983, Muppets Inc.

CCW™



ATARI[®]
A Warner Communications Company
Circle No. 4 on product card

Opinion

Opportunities Abound For Toy Buyers in Electronics



Many of our toy buyer readers will have the opportunity to attend the Consumer Electronics Show in Las Vegas, January 6-9, and the full 10 days of Toy Fair in New York, February 7-15.

Here's what we hope you will find at both of these very important shows.

Let's start with video games. Video games will come down drastically in price. At the same time new companies will enter the field. There will be an over-proliferation of video game cartridges flooding the channels of distribution from currently existing firms. Many new game producers will enter the marketplace in 1983.

Manufacturers of video cassettes, who are featuring children's



programming, seek penetration in the toy marketplace. One such firm is Family Home Entertainment who's ad appears in this issue. Another area of vital importance to you and to your product mix is the availability of the very low priced personal computers which will be at retail for well under one hundred dollars.

Toy buyers, your opportunity to enter the electronics business, if you haven't already done so, is now. The new generation of easy to use very low-priced personal computers makes the electronics category extremely viable. We can draw many analogies and here are some.

All of you have a hobby kit department or a stamp collecting department or a sporting goods department or a wheel goods department and these are all entry level design products to meet the needs of younger children.

Personal computers that will retail for \$59, \$69, \$79, are designed as entry level products for the beginner.

Computer software must now enter in your product mix possibilities for 1983 and probably beyond. Even if you don't enter into the

hardware business you should, no, you must enter into the software business.

For example, you may not be selling high priced cameras but you sell film, batteries, and many other fast moving and highly profitable products. Software will be in high consumer demand for years to come. You will gain a tremendous amount of plus business by maintaining a full software department.

If you didn't attend the Consumer Electronics Show and are reading this article while attending the American Toy Fair then you owe it to yourself and to your company to seek out these products that are being displayed at the toy show.

If you can't find the products that we are discussing here, then tell us and we will be happy to supply you with names and addresses. Let our advertisers know how interested you are in developing electronics for kids in your toy departments. Please contact the advertisers in this and future issues of EFK. These companies need to know that you are interested.—Harvey Stern and Judy Basis, co-publishers

Largest Winter CES Turnout is Expected This Month

LAS VEGAS—The 1983 International Winter Consumer Electronics Show, which will run from Thursday, January 6th through Sunday, January 9th, is expected to be the largest winter show ever, in terms of the number of exhibitors, aggregate exhibit space, and total attendance.

The Electronic Industries Association's Consumer Electronics Group (EIA/CEG) expects 70,000 to attend the winter show, which is 2,000 more attendees than last year.

WAITING LIST

More than 1,000 companies have been assigned exhibit space and 115 firms have been put on a waiting list as of press time, according to the EIA/CEG. Last year, slightly more than 900 companies exhibited products at the winter show.

Of the 1,000 companies that will be at WCES, 175 are new exhibitors. According to the EIA/CEG the number of new exhibitors at this year's show is about twice the amount of last year.

Over 625,000 net square feet of exhibit space will be utilized in three facilities for this year's show: the enlarged Las Vegas Convention Center, the Hilton Hotel and the Riviera Hotel. The exhibit space being used is 120,000 net square feet larger than last year's show.

Over 700 exhibitors will use the Convention Center. Audio and video exhibits will be located in the East Hall, along with computers, games and video software. The South Hall will feature personal computers, telephones, electronic watches and calculators.

TOY MARKET CHANGING

Jack Wayman, CEG senior vice-president, reminds toy buyers that, "the traditional toy and game market, as we've known it, has changed in recent years. The advent of electronic games has altered the look of toy and hobby outlets."

Wayman contends that there is a tremendous growth potential, "in the electronic entertainment field and the traditional toy market can now be expanded with the addition of home video games, handheld games, cordless telephones and computers."

He maintains that these electronic product categories have proven to be, "relevant investment areas for toy outlets and a few of the major toy chains, such as Toys R Us and Child World, who are getting into it in a big way."

Wayman adds that, "a bright and forward-thinking toy buyer, looking to increase his stores' sales potential, should use the show as an opportunity to expand the realm of toys that he is currently

offering to his customers."

The show will also have a full schedule of conferences and workshops at the Gold Room in the Convention Center. Of most importance to toy buyers is the Computer/Games Conference, to be held on Sunday, January 9th from 8:30 a.m. to 10:00 a.m. There will be two panels of leading executives in the industry.

The keynote speaker of the meeting will be John McDonald, Casio, Inc., who is also chairman of the EIA/CEG Computer Division.

The first panel will be a discussion of hardware. The moderator is Bob Citelli of Home Electronics Product News.

CES PANELISTS

The panelists include Mike Aguilar, Panasonic, Al Kahn, Coleco Industries, H.L. Sparks, IBM and Jack Whelan, Epson America, Inc. Two retailers will be on the panel, and they are Adam Levin, Mace Electronics, Erie, Pa., and Warren Winger, Compushops, Dallas.

The second panel will discuss the software market. The moderator will be Jim McCullaugh of Computer Merchandising.

The panelists include Bill Grubb, Imagic, Richard Hoag, Mattel Electronics, Keith Schaefer, Atari and David Wagman, Softsel Computer Products. The two retailers on the

panel will be Bill Hoffman, The Software Store, Huntington Beach, Calif., and Ray Daly, The Program Store, Washington, D.C.

VIDEO CONFERENCE

For those toy retailers who are interested in entering the children's videocassette market, the CES Video Conference will be held on Saturday, January 8, from 8:30 a.m. to 10:00 a.m.

The second panel discussion of the meeting, which will deal with software, should be of interest to toy buyers.

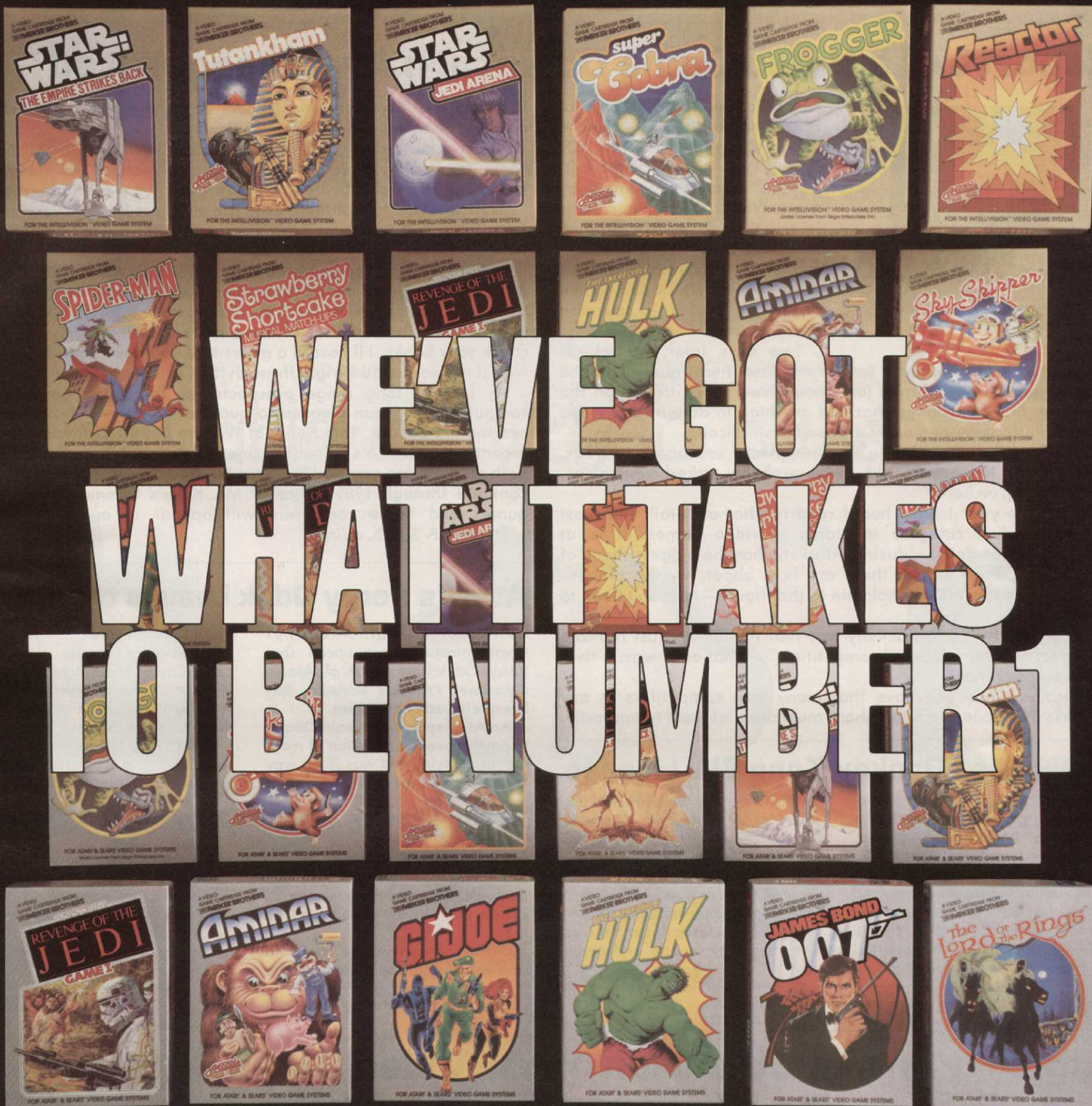
The moderator of that panel is Seth Goldstein, of Video Week. The panelists include Bob Burnett, 3M Company, Jim Jimirro, Walt Disney Home Video, Bud O'Shea, 20th Century Fox Telecommunications and Nicholas Santrizos, Thorn EMI.

The retailers on the panel include George Atkinson, Video Station, Los Angeles, and Linda Rosser, Entertainment Systems of America, Phoenix, Ariz.

Atari Names Marketing VP

SUNNYVALE, Calif.—Atari has appointed David Ruckert senior vice-president of marketing for the company's Consumer Electronics Division.

Ruckert had a similar title with Bristol-Myers' Clairol Unit.



We've got the licenses. Parker Brothers announces sixteen of the most exciting new Home Video Games to hit the market. And there's plenty more to come.

We've got the formats. All Parker Brothers games are designed to fit the Atari Video

Computer System™. Soon they'll also be available for Intellivision™. Followed shortly by formats for leading video systems and personal computers.

We've got the advertising. Every cartridge will be supported with a huge advertising budget that covers TV, print and point-of-purchase.

PARKER BROTHERS VIDEO GAME CARTRIDGES **The Ones To Beat**

FROGGER is a trademark of Sega Enterprises Inc./SPIDER-MAN, THE GREEN GOBLIN and THE HULK are copyright © 1982 Marvel Comics Group, a division of Cadence Industries Corporation. All rights reserved. / © Lucasfilm Ltd. (LFL) 1982. STAR WARS® THE EMPIRE STRIKES BACK™ and REVENGE OF THE JEDI™ are trademarks owned by Lucasfilm Ltd. (LFL) and used by Parker Brothers under authorization. / AMIDAR, SUPER COBRA and TUTANKHAM are trademarks of Konami Industry Co., Ltd. and used by Parker Brothers under authorization. / SKY SKIPPER is a trademark of Nintendo of America, Inc. / REACTOR is a trademark of D. Gottlieb & Co. (G.I. JOE is a trademark of Hasbro Industries, Inc. and is used with permission. / STRAWBERRY SHORTCAKE is a trademark of American Greetings Corporation. / JAMES BOND likeness and related material © Eon Productions Ltd. Gldrose Publications Ltd. 1982. / THE LORD OF THE RINGS Copyright © 1978. Licensed by the Saul Zaentz Production Co. Intellivision® © Mattel, Inc. 1982. All Rights Reserved. Sears Video Arcade is a trademark of Sears Roebuck and Co. and Atari Video Computer System is a trademark of Atari Inc.

© 1982 Parker Brothers, Beverly, MA 01915.

Circle No. 5 on product card

Opinion

Reports of a Video Game Downturn Are Exaggerated



Just before we put this issue of EFK to bed all hell broke loose in the video game market. Or should I say the stock market. As you undoubtedly know by now, Warner Communications forecast a 50 percent drop in fourth-quarter earnings because of lower-than-expected sales of Atari's video game cartridges and coin-operated arcade games.

Two days later, Mattel revealed that it anticipated a loss in the final fiscal quarter of the year. When the news broke just about every stock traded on the New York Stock Exchange that had anything to do with the video game/home computer market dropped dramatically.

If you had the time, during the most hectic season of the year, most of you toy buyers out there probably asked yourselves, "What's going on here?"

During the year I have heard reports, that at retail, the most popular product category in stores is video games. It is at least a \$2 billion dollar industry. Atari still has the biggest chunk of this market, even though there are now about twenty competitors out there now. (Don't hold me to that figure—I haven't been to CES yet.)

The reason for all this activity was that Wall Street just realized that Atari now has plenty of competition, in what once was, a two- or three-horse show.

Logically, when you have that many new competitors in any business the leader's market share must drop, at least temporarily.

Atari Gets Donkey Kong SW License

SUNNYVALE, Calif.—Atari, Inc. has been granted an exclusive worldwide license to develop, manufacture and distribute Nintendo Company, Ltd.'s home computer versions of Donkey Kong and Donkey Kong Junior video games. The agreement was also signed by Nintendo America, Inc., Seattle, the Japanese firm's subsidiary.

Keith Schaefer, vice-president of sales for Atari's Home Computer Division, says that he expects the two games to be, "among the top selling entertainment titles (this year). They are outstanding additions to our game software library, consisting of classic arcade attractions, strategy, sports and action games."

It seems that investors and traders on Wall Street were late in catching on to this simple fact.

At an Atari press conference to debut the new 1200XL home computer, Manny Gerard, Warner Communications' co-president, explained the video games business was, "very profitable during 1982. It was not as profitable as in the past, but it is still very profitable. I'm sure if you owned this operation you wouldn't be unhappy with our level of profit (for video games)."

So let's not organize a fund-raiser for Atari. Or Mattel. Or Coleco, or any of the other major companies that are in either the video game or home computer markets. I don't have to preach to you toy buyers about the condition of these markets. All you have to do is check your books. I'll hazard a guess that you have done quite well with this merchandise, right through the Christmas season.

As for the long range prospects for the video game/home computer area, I am pleased to quote one analyst who seems to see the big picture. Tom Kully, of William Blair & Company, spoke recently at the TMA's Annual Business Meeting in New York. When both markets are grouped together he predicts rapid growth should continue through 1985. More of Mr. Kully's comments on video games and home computers will appear in our next issue.

—Stephen F. Smith, editor

Atari's Perry Odak Leaves the Firm

SUNNYVALE, Calif.—Warner Communications announced that Perry Odak, president of Atari's Consumer Products Division, has been relieved of his duties.

An Atari spokesman said Odak's departure was "a question of management style" and was in no way related to Atari's disappointing

fourth-quarter sales.

However, Warner co-president Manny Gerard told a meeting of stock market analysts, "He was running the division so Mr. Odak did have some impact."

Odak, who left cosmetic maker Jovan Inc. to run the division, joined Atari in March, 1982.

Tomy Forms Home Computer Division

Continued from Page S4

At that time, the company expects to be employing up to 30 people in the new division in the U.S.

Details concerning the price and configuration of the system and its

software were unavailable at presstime, but Tweddle did say home computer system."

Tweddle was previously executive vice-president of Ricoh America, a Japanese camera and copy machine manufacturer.

EXECUTIVE SPOTLIGHT

Jim Levy on the Condition of the Video Game Category

Continued from Page S1

weaker entries might not survive. It is no surprise that some companies cannot compete in this market. It is no reflection on the strength of the industry, it is just that a video game supplier must enter the market with certain strengths, or else the supplier won't survive.

Has the competition between video and home computers occurred faster than expected?

Competition is not the right word to use in this case. We consider video game systems to be computers, although they do have a limited use. Prices of home computers have dropped sharply recently, led by Commodore and Texas Instruments. Those systems will be important for the long term. But, the video games market still drives

the game business. If you want to enter the market you must be compatible with Atari VCS and Mattel Intellivision, because their installed base is so large.

Will video game software manufacturers be compelled to enter the home computer software market this year?

Again, I don't think you are using the right word. No one is "compelled" to enter that market. If the opportunity is there, and a supplier wants to compete in both the video game and home computer software markets, that is the supplier's decision. It depends on its strategy. Some firms just want to make video games, while others specialize in home computer software. Some have entered both markets. It depends on what the manufacturer's targets are.

As a whole, how important has the toy distribution channel been for video games up to this point?

Chains such as Child World and Toys R Us have been very important to us, but as a whole, the toy distribution channel has not outperformed other distribution channels. A handful of toy chains are important to us, but the small toy stores and small toy chains have not been a major factor in this market as yet.

Why does Activision highlight the designers of its games, such as Alan Miller, David Crane and Bob Whitehead, unlike anyone else in this business?

First of all, it is our fundamental belief that we should do what's right for the artist, which is what a

game designer is. They should get credit for their work. In the commercial arts that is part of what motivates them. We feel that it is the right and fair thing to do. Secondly, we have found, quite by accident, that it has become a favorable part of our marketing strategy. The talents of Crane, Miller, Whitehead and our other designers have become very recognizable to the consumers of video games.

During the fourth quarter of this year where do you expect price points to be for video game software?

Price points will be very similar to 1982, only there will be a greater variety of price points available. Prices will be spread out more than now, with a wider spectrum of higher and lower prices. ■

THE Strawberry ShortcakeTM In Big Apple City

COPYRIGHT ©1981 MULLER-ROSEN PRODUCTIONS, INC. ALL RIGHTS RESERVED.

PLUS A SELECTION OF POPULAR CARTOON CHARACTERS
available on video cassette



The Peculiar
Purple PiemanTM*

\$29.95

SUGGESTED
RETAIL PRICE

ONE HOUR
TAPE



Blueberry MuffinTM*

WITH EACH CASSETTE A

FREE

FULL-COLOR
HARD BOUND

Strawberry
ShortcakeTM

POP-UP BOOK.



Lemon MeringueTM*



Raspberry TartTM*

*TM TRADEMARKS OF AND ©1981 AMERICAN GREETINGS CORPORATION. ALL RIGHTS RESERVED.

DISTRIBUTED
EXCLUSIVELY
IN THE U.S.A. BY **MGM/UA**
HOME VIDEO

FAMILY HOME ENTERTAINMENT

Circle No. 6 on product card

Strong Growth in Video Game Market Foreseen for 1983

Continued from Page S1

observers contend that the shakeout does not indicate that there is a basic weakness in this volatile market. Instead, they feel that the reason for the shakeout is that many of the firms that entered the market last year jumped into it without being adequately prepared. For their part, retailers have been very selective in their purchases, unlike the handheld game category of a few years ago.

TYPICAL REACTION

Michael Moone, president of Atari Consumer Products Division, points out that, "it is typical of many companies to enter a hot category, like video games, to get a quick surge in volume. What they don't realize is that you can't expect to do well in this market if you throw out 'me-too' copies of successful games."

Moone adds that new entries in this marketplace would be better off if they took enough time to, "design the right product, at the right price, and have a strong marketing program."

The video games market has

matured during the past year due to a variety of factors. One of the most important is that manufacturers, buyers and consumers have become more sophisticated about



"The cost of entering this business, from a marketing and advertising standpoint, is very expensive."
—Bill Grubb, Imagic

game systems and cartridges.

According to Robert Hunter, vice-president of CBS Video Games, "early in 1982 some manufacturers felt they could ship anything, and retailers felt that they could sell any type of video game.

That was never the case, and last year proved it."

Consumers now know the types of games they like, and the types of game systems they want. Successful manufacturers and buyers have been able to fulfill these needs.

Aside from knowing what the public wants, distribution channels have been set up, with the toy distribution channel being near the top of the list.

Toy retailers have been given high marks for their performance in handling video games last year, by the video game executives interviewed by ELECTRONICS FOR KIDS for this report. (For the comments of Activision's Jim Levy, and Mattel Electronics' Peter Pirner, see the Executive Spotlight and Guest Viewpoint sections of this issue.)

Along with the category's new maturity, video game cartridge manufacturers have begun to aggressively pursue a new marketplace: home computer software. Many of the hit video game titles of previous years will be introduced by video game manufacturers in home computer software versions.

COMPUTER SW ENTRIES

Several video game companies will enter the home computer software market at the Winter Consumer Electronics Show in Las Vegas, while others are rumored to be entering the market very soon.

Imagic has announced that it will be entering the home computer software market with Atari 400/800 and Commodore VIC-20 versions of some of its more popular video games.

Bill Grubb, president of Imagic, feels that his company's move into the home computer software market is, "the smart thing to do, because there is a huge market for game software in the home computer market."

He echoes the opinion of many in the industry by saying that the shakeout in the video game market, "is part of the business cycle. A large number of companies popped into this business due to the major growth possibilities. But consumers and retailers can only buy so much product."

FOUR KEYS TO SUCCESS

Grubb says that the four keys to success in the video games are, "strong product, good company management, knowledge of the video games business and a large marketing program."

On the last point, Grubb points to his company's experience. "The cost of entering this business, from a marketing and advertising standpoint, is very expensive. We have spent \$10 million on advertising, from October to January. In addition, we have made a major investment on p-o-p materials and our product packaging."

Grubb does not expect a price

war during the first quarter of the year between the major producers of video game cartridges. "The strong companies with good product will not have to cut prices, because this is not a price sensitive marketplace. As a game reaches the end of its life cycle, pricing moves will be made."

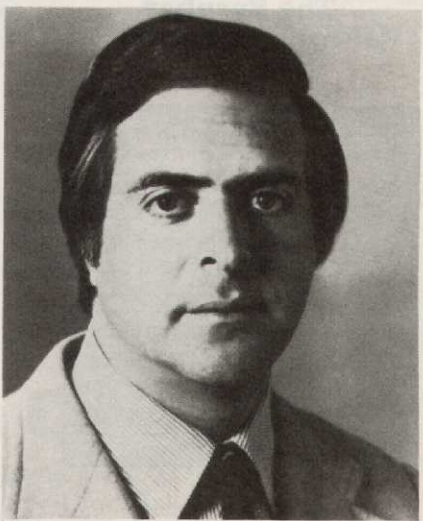
Michael Katz, vice-president of corporate communications for Coleco Industries, agrees with Grubb that popular games will not be cut in price during the first quarter.

"There will be no need to cut prices on hot arcade-type game titles, because those titles will be sold out. Generic titles, that have been on the market for awhile, will be cut to about \$10 each," Katz says.

The trade should expect fewer video game hardware and software manufacturers by the end of 1983 Katz maintains. "Not more than four, possibly three, video game system manufacturers will be in the market. As for game cartridges, six or seven major companies will be offering product."

The performance of toy retailers in the video game market has been excellent, Katz says. "They have offered broad assortments of games, good promotional pricing, and in many cases, have developed a knowledgeable sales staff that can answer customer questions."

Gerald Michaelson, vice-president of marketing for Odyssey, a



"There will be no need to cut prices on hot arcade-type titles, because they will be sold out."
—Michael Katz, Coleco

Observers Call Video Game Category Strong Despite Atari's Shortfall

By RICK ANGUILLA

Atari's announcement last month that sales of its video game cartridges for 1982 would be below expectations sparked a variety of reactions from industry observers.

The Warner Communications announcement drew immediate response from industry executives and observers. Many felt that Atari's lowered earnings expectations was not due to softness in the home video game market, but rather a sign that Atari's market share had begun to erode.

The announcement by Warner, which owns Atari, cited disappointing sales of game cartridges and coin-op games as major factors in the reassessment of their earnings picture.

Warner said its 1982 earnings would only be 10-15 percent better than last year's \$3.57 a share. The statement startled many stock market analysts, who had been predicting around \$5 a share, and touched off a 20-point drop in the price of Warner's stock.

OTHER STOCKS AFFECTED

Other video game companies, including Mattel who announced a projected fourth-quarter loss, Coleco, Commodore, and Texas Instruments also had their stocks affected by the furor surrounding the announcement.

Speaking at a New York press conference, Warner co-president Manny Gerard said that the company had miscalculated the number of cancellations from distributors and dealers. He added that projected volume and profit would

increase for the fourth quarter but still fall below the company's expectations. "The problem was a (video game) sales shortfall," Gerard explained.

Gerard insisted that Atari's Consumer Products Division would be very profitable in 1982, noting that sales of the 2600 were up more than 50 percent over 1981 figures. He said that sales of the 5200 were also good, adding, "The video game business at retail is vibrant and growing rapidly."

In a prepared statement, Charles Lazarus, chairman and chief executive officer of Toys R Us, stated that, "the video game software business has been very good this year (1982)," and continued to do well during the Christmas season.

Child World, K-mart, J.C. Penney and Sears all provided Atari information that video game software and hardware sales for 1982 are, in some cases, two or three times greater than 1981.

At a meeting of stock market analysts, Gerard provided further insight into the cause of the lowered expectations. "There's no question that some of the problems stem from the Pac Man experience," said Gerard, referring to reports of some consumer dissatisfaction with the home version of the popular arcade game. "In hindsight it was kind of expensive."

While saying that he guessed "Atari's market share must be down for '82," Gerard stated that the company felt their market share had bottomed out in November.

Continued on Page S32

subsidiary of N.A.P. Consumer Electronics Corp., feels that there will definitely be aggressive price moves in both video game software and hardware during the fourth quarter.

"There will be strong competition for market share during the first quarter. Some producers will cut prices to increase their market share, while others will cut prices just to survive," Michaelson says.

In the short term, Michaelson feels that there will be new product technology that will change the industry. "One thing that will come

Continued on Page S16

America's hottest rock group is now a video game.

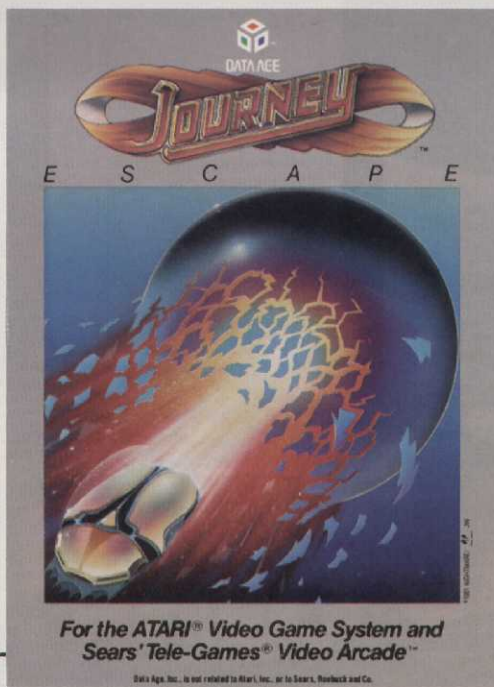
SURE HIT

The Journey logo is a stylized, three-dimensional wordmark in a metallic, orange and red font, set against a dark, swirling background that resembles a nebula or a galaxy.

DATA AGE[™] announces the world's first rock 'n roll video game featuring one of the world's hottest rock 'n roll groups . . . Journey.

This natural marriage of rock 'n roll and video games means "can't miss" profits for every record, toy and consumer electronics retailer in America. "Can't miss," because the youth of America finally get the product they've been asking for . . . rock 'n roll and video games.

The video game will be titled, "Journey/Escape," capitalizing on the same name and package graphics of the rock group's current "multi-platinum" album, Escape, which has



sold over 5 million copies.

Just take a look at some of the other "records" Journey has set with the help of the discretionary dollars of America's youth market:

- **6 consecutive platinum albums.**
- **Over 15 million total albums sold.**
- **Over 2 million concert t-shirts sold.**
- **1983 50-city tour, 100 concerts, SRO.**

See your distributor for the youth marketing campaign of 1983 on the hottest selling video game of the year.



DATA AGE

THERE'S A LOT MORE TO OUR BUSINESS THAN FUN AND GAMES.

62 South San Tomas Aquino Road, Campbell, CA 95008 (408) 370-9100

DATA AGE[™] Video Games for the Atari[®] Video Game System and Sears' Tele-Games[®] Video Arcade. Data Age, Inc., is not related to Atari, Inc., or to Sears Roebuck and Co. ©1982 Data Age, Inc.

Circle No. 9 on product card

SEE US AT C.E.S.—BOOTH 1044

**EXPECT
THE
UNEXPECTED**



WIN

**THE NEWEST NAME
YOU**

ZIMAGTM

IN CONSUMER ELECTRONICS BRINGS THE GREATEST VIDEO GAMES!

Games with thrills!
With chills! With more
real action, more realistic
sound effects and
more real fun. All from
ZiMAG, the new force in
the consumer
electronics industry.

We've got 12 great games
for you to put on your
shelves now. Plus, titles
by the dozens are being
developed right now in
our programming labs.
They're all the creation of
a superb team of
professional visionaries.
Come see their video
visions and ponder. Touch
them and wonder. Be
transfixed, perhaps even
transformed!



Circle No. 7 on product card

See us at the American Toy Fair.
Suite 620 • 200 Fifth Avenue
Magnetic Tape International, Gardena, CA 90248 a subsidiary of InterMagnetics Corp.
(800)-447-4303.

ZiMAG is a registered trademark.

Few Price Cuts Foreseen for Popular Video Game Titles

Continued from Page S12

into the market, maybe not this year but soon, will be video game on videodiscs. Videodisc are an excellent storage devices, and could truly expand game play."

He also predicts that there will be a stronger emphasis on "learning-type games for children. This is a brand-new area. Parents want their children to be 'computer-literate', and not be left behind in school. Educational video games would be a first step in this area."

Parker Brothers, the traditional board game company, entered the video game market last year and announced recently that it would offer a line of home computer software later this year, based on some of its successful video game cartridges.

John Call, product manager of video games for Parker, says that the firm's entry into the video game market and home computer



"Ten firms will be vying for market share by the end of '83."—**Robert Hunter, CBS Video Games**

market is, "a natural progression for us. We feel that video games are a prelude to home computers. You couldn't have today's home computer market without the video game area."

He adds that the home computer software market, for Parker and other game companies of similar stature, is "a great opportunity."

Richard Stearns, vice-president of consumer electronics for Parker, said at a recent unveiling of the firm's 1983 video game line, "We assume that the video game and home computer categories will have a very strong growth rate over the next four or five years."

Stearns feels that his company is uniquely qualified to be successful in providing games for both markets, because, "we've been in the game business for 99 years. We know what it takes to make a good game, and we have the management and marketing talent to be successful."

Parker's Call sees similarities between the shakeout of video game suppliers and the portable

electronic game shakeout of a couple of years ago. "Too many companies entered the market with too many products of varying quality. Any company that enters the video game software business must have strong financial backing, because advertising is so important."

In the video game cartridge area, Call expects to see, "ten top companies vying for market share by the end of the year. There will always be a few small companies in the market who think that they will find their niche and make it. But the bulk of the business will be done by the major firms."

STRONG FINANCING NEEDED

Hunter of CBS Video Games believes that a video game cartridge company needs \$10 million to start with. "You need strong financing to support your early failures. If you don't have that cushion, you're in trouble."

He adds that a new company in this field, "needs one or two hit games right off the bat, good financing and strong management."

Hunter expects price cuts for video game cartridges during the first quarter, but just for older products. "There have been, and will continue to be, price cuts for second and third line games. The cuts will be severe. But price cuts in first line games won't happen. You need to make enough money from your winners to pay for your losers."

Harry Fox, president of Spectra-vision, suggests that the reason for the shakeout in the market is that, "nobody anticipated that so many firms would jump into this business so quickly."

Fox feels that large companies that recently entered the market are, "not concerned with the long term. It doesn't matter to them that they spend a lot of money on advertising, distribution, games and start-up costs. They want to cash in on what they think is just one good season left."

COMPUTER COMPETITION

The video game market is now competing directly against the home computer area, Fox says. Because of this fact, Fox believes that there will only be room for three video game hardware companies during 1983 because, "the video game people will have to share the market with the home computer suppliers. They are competing for the same customers."

The specter for the video game software area will be ominous during the first quarter, Fox believes. "There will be under ten game companies in business by the end of this year. Under 60 percent of all the video game cartridges shipped for Christmas 1982 will be sold. January will be the time to deal with all the unsold titles."

He says that the retailers will either have to discount the cartridges or, "January will bring

large returns, from retailers to manufacturers. And what will the manufacturer do with all that inventory? If a video game software company is still in business by February 15, it is in the business to stay."

As for new products that will be introduced during the first quarter, Fox does not expect any price cuts. "With new titles you've got to spend a lot of money on TV advertising. If you cut prices, you cut your ad budget, and if you cut that, your sales drop."

MTI, a subsidiary of Inter-Magnetics Corporation, a manufacturer of video equipment and a builder of video tape and magnetic audio plants, plans to introduce its complete line of video game and home computer software products at WCES this month.

Russell C. Greene, president of the subsidiary, is of the opinion that the reason why some companies have had, and will have, problems surviving in the video game market is that, "there is probably not enough financial backing for many of these smaller companies. Retailers want to know that there is strong support behind a firm, and have begun to ask for financial information of companies before making orders."

Greene adds that, "retailers are becoming somewhat selective. Suppliers must have hot titles."

IN BOTH MARKETS

MTI is designing games for both home computers and video game systems. Greene believes that companies in the game software business, "must, at this point, have games that are compatible with home computers and video game systems. I would not take our company into just Atari VCS-compatible software. You must be in both markets to survive."

Greene agrees with Odyssey's Michaelson that, "videodisc will be revived by the game market, possibly this year. It could be used, in conjunction with home computers to play games or perform other software functions."

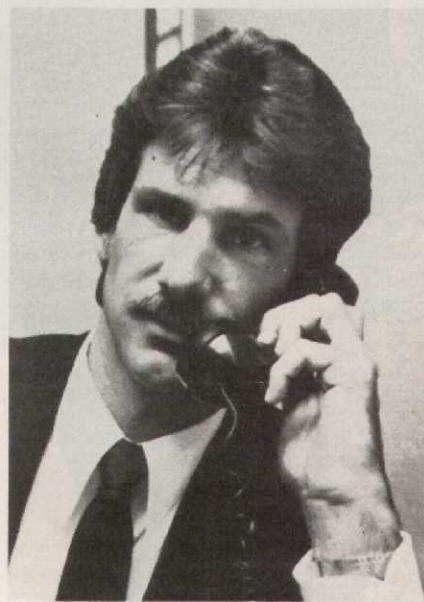
MTI will actively court the toy market during 1983, Greene says, because of the success the trade has had with video games and home computers during the past year.

Dave Galli, marketing manager for Data Age, has a message for toy retailers. "If toy buyers have faith in a product category like ours, they should stand behind it and sell it. They must sell the product, not clerk it. Use co-op advertising money, p-o-p materials and other aids that manufacturers send. Video games should be a very important part of their business."

Galli feels that it is difficult for new entries in the video game market to make it because, "you have to fight to get adequate distribution and shelf space. There are only a handful of blockbuster cartridges, and the proven brands

are in a better position."

He is not ready to write-off the video game market yet, and con-



"(Toy Buyers) must sell video games, not clerk it."—**David Galli, Data Age**

cede it to the home computer suppliers because, "Who is the decision maker when it comes to buy a home computer or a video game system? The game players out there. They control the buying decision. A game system plays games better than home computers. The home computer manufacturers are trying to sell their systems by saying that their units can play games."

He concedes that eventually video game software suppliers will have to address the home computer market. "These systems will captivate the public, eventually. Computer owners will want strong games, and we will be qualified to provide good game software."

Jack Dews, executive vice-president for U.S. Games, notes that his firm will enter the home computer software market when the manufacturers of the system, "develops a marketing strategy that will get the average buy to buy a computer for something other than games."

CHILDREN'S GAMES

U.S. Games is one of the firms that will be introducing a line of children's video games at WCES this month. Dews says that the line is aimed at small children.

Dews predicts that major corporations that have entered the market, "will stay in it."

Our parent company, Quaker Oats, has made a firm commitment."

As for small companies in the video game market, Dews feels that some will, "fall out of the picture, or be bought out." Due to shrewd buying decisions by many retailers across the country, several video game suppliers are now wondering if they will be able to stay in this fast-paced market that is practically guaranteed to generate strong sales and profits for its survivors. ■

Video Games

Atari Debuts a Host of Games and Peripheral Products

SUNNYVALE, Calif.—Video games for children ages three to seven, peripheral products for the 5200 game system, a new case for the 2600 game system and a host of new video game cartridges for both systems will be introduced by Atari's Consumer Electronics Division at WCES this month.

The video games for children are part of the new Atari Kids Library. Available in May, these five games were developed in conjunction with the Children's Television Workshop, and feature characters from Sesame Street and are "educationally oriented," the firm says.

The titles of the games are as follows: Oscar's Trash Race, Cookie

Monster Maze, Monkey Music, Alpha Blast and Grover's Egg Catch. In addition, the company is also introducing a keypad controller designed for preschoolers.

NEW 2600 CASE

The 2600 video game system has been given a new casing, which is said to be "sleeker, and in black." Atari has reduced its suggested retail price for the 2600, from \$199.99 to \$169.95. In addition, new 2600 units will come with both Pac-Man and Combat game cartridges.

Atari will also be debuting three new peripheral products for the 5200 at CES. The three products are a trak-ball controller, modeled

after the arcade version, a voice synthesizer module and an adapter so 2600 games can be played on the 5200 system. These peripheral products for the 5200 system are scheduled to debut during May.

The company has also revealed what new game cartridges it will introduce during the first quarter of the year. Vanguard, a space action strategy game which features a 360 degree firing capability, will be available this month. Suggested retail price is \$29.95.

During February Atari will offer the second cartridge in the Sword-Quest series, Fireworld, and the home version of Ms. Pac-Man. Centipede will debut in March, along with Galaxian, and a video

game based on the popular TV series, the Dukes of Hazzard.

In addition, Atari will also introduce a carrying case for its game cartridges and the Atari Game Center, which is described as, "an all-in-one organizer," that has compartments for the VCS controllers and console, and room for 27 cartridges. The Game Center has a translucent dust cover and a wood-grain finish.

Atari Kids Library—Circle No. 179 on product card

Peripherals for the 5200 system—Circle No. 180

Game cartridges—Circle No. 181

Carrying Case and Game Center—Circle No. 182

Parker Brothers Introduces 16 Video Game Cartridges In its '83 Line

BEVERLY, Mass.—Parker Brothers plans to introduce 16 new video game cartridges in 1983 including three new games based on the upcoming Star Wars film, tentatively titled *Return of the Jedi*.

Company president Randolph P. Barton said that the new cartridges will be backed with a \$30 million advertising budget. He also predicted that Parker Bros.' new games, combined with its initial computer software offerings, would help the company triple its video software sales in 1983.

Star Wars Jedi Arena, first of three Star Wars cartridges planned for '83, is being released in January for play on the Atari VCS. The game will be compatible with the Atari 5200 and Intellivision systems later this year. The second Jedi game will hit the stores when the film is released in May and the third is set for late summer release.

Several of the new games will feature movie and comic book characters for which Parker Bros.

has obtained exclusive game cartridge licenses. Among them are



James Bond, G.I. Joe, The Incredible Hulk, and Strawberry Shortcake. Both the G.I. Joe and Strawberry Shortcake games have been

designed for young children ages 4-10.

Four new cartridges based on popular arcade games will debut in 1983. Home video versions of Reactor, Sky Skipper, Super Cobra, and Tutankham are scheduled for release this year. A fifth arcade-

based game, Amidar, was shipped in November. Also scheduled for 1983 is a game based on the Lord of the Rings fantasy novels by J.R.R. Tolkien.

Parker Brothers video games—Circle No. 213 on product card

Odyssey Unveils New Game System

KNOXVILLE, Tenn.—Odyssey, a subsidiary of N.A.P. Consumer Electronics Corporation, is scheduled to introduce at the Winter Consumer Electronics Show a new video game system.

This new system, as yet unnamed at press time by the firm but dubbed "Odyssey 3" by the trade, will have a typewriter-like keyboard, unlike Odyssey 2's membrane-like keyboard, and new hand controls which can be stored in the main unit.

All Odyssey 2 games are compatible with the new system, says David Arganbright, vice-president and general manager of the Odys-

sey division.

"For the Odyssey 2 owner this means an easy low-cost move to the next generation, and for the dealer it means that the new generation of Odyssey comes to the market with a large universe of potential customers," Arganbright says.

He adds that, "one cartridge for both systems means less SKUs for retailers to carry, which all adds up to volume and profit potential."

The new system is scheduled to be released during mid-summer, with a suggested retail price of around \$200. Arganbright claims that the new system's graphics "will technologically and visually exceed any game system on the market, and many so-called computers."

A new voice module for the new system will also be introduced by the firm, as well as a phone modem, which will give the system many of the capabilities of a computer, the company says.

The model will, for example, give users complete access to any data source, with on-screen alphanumeric graphics as good as home computers, the company says.

Also on display at WCES will be two video games for Odyssey 2 that were introduced by the company during the fourth quarter, Smithereens and Attack of the Timelord.

New system—Circle No. 211

Two Odyssey video games—Circle No. 212

CBS Video Games Offers Atari and Mattel Cartridges

NEW YORK—CBS Video Games is introducing several new games at the Winter Consumer Electronics Show in Las Vegas that are designed for both the Atari VCS and Mattel Intellivision.

Gorf and Wizard of Wor, which were introduced late last year, will be displayed at the show. Originally designed for the Atari VCS, both games will now be available in Intellivision-compatible versions.

EXPANDED MEMORY

Robert Hunter, vice-president of CBS Video Games, reports that the company will be offering cartridges that have three times the memory of existing Atari VCS-compatible cartridges.

The first game to be offered with this expanded memory is Solar Fox, a home version of the

Bally/Midway arcade game. It is "an abstract space pattern game," which has 22 different grids, Hunter says.

Another new game from the firm is Blue Print, which is a maze game. The aim of the game is to build a machine to save a maiden in distress. Blue Print has conventional Atari VCS memory. Both Solar Fox and Blue Print were developed in cooperation with Bally/Midway, Hunter notes.

Two other video games that CBS will introduce at the show will also have expanded memory. Both games were untitled at press time, but Hunter describes one as being "a three-dimensional labyrinth adventure game, while the other is a 'flying-to-save-the-earth' action game."

Hunter notes that either Solar

Fox or Blue Print may be shown at CES in both Atari VCS and Intellivision versions.

Gorf—Circle No. 188 on product card

Wizard of Wor—Circle No. 189

Solar Fox—Circle No. 190

Blue Print—Circle No. 191

Other video games—Circle No. 192

Atlantic Champion Crowned

LOS GATOS, Calif.—Andrew Levine, a 15-year-old high school sophomore, won Imagic's Atlantis video contest, held recently in Bermuda.

Levine scored 1,968,800 points in one hour. For his work he received a \$10,000 first prize from Imagic.

A native of Needham, Mass., Levine maintains a B average in school.

**IF YOU THINK OUR
IS COMPET
UNTIL YOU SEE C**



OUR ADVERTISING EFFECTIVE, WAIT FOR OUR NEW PRICE.



You've seen our graphic comparisons. And so have your customers. They know which video game system has realistic graphics and gripping gameplay.

But now, they're in for a big surprise. Intellivision® II.

While others are introducing more expensive systems in a frantic effort to match our quality, we've kept our quality and reduced our price.

Thanks to microtechnology, we've been able to drastically reduce the size and price of our master component.

Of course, it plays all the same great games. Including all our exciting new talking cartridges, when the IntelliVoice™ voice synthesis module* is attached.

Let your customers compare. They'll see they can spend more, but they probably can't get more for their money.

Because now, even our price looks better.

MATTTEL ELECTRONICS®

INTELLIVISION® II

©Mattel, Inc. 1982 All Rights Reserved.*IntelliVoice module and voice cartridges each sold separately.Circle No. 8 on product card

Video Games

Data Age Offers Journey/Escape and Three Other Games

NEW YORK—Data Age, Inc., Campbell, Calif., has introduced a video game cartridge featuring Journey, a popular rock band.

Representatives from Data Age and Journey were on hand at a press conference here recently to unveil Journey Escape, an Atari-compatible cartridge which will be shipped January 1st. Marty Meeker, president of Data Age, said the marketing of the new cartridge will concentrate on two of the consuming interests of America's youth—rock 'n' roll and video games.

Meeker, who said his company expects to ship its one-millionth cartridge before the end of the year, called Journey Escape the "world's first rock 'n' roll video game."

Robert Rice, vice president of marketing for Data Age, noted that his company has budgeted \$4.5 million to advertise and promote Journey Escape. He also said that Journey's 50-city tour which commences next spring will be a natural tie-in for a number of promotional activities including free concert tickets. While declining to pinpoint the amount of money the

San Francisco-based band will receive, Rice did term the figure "significant."

The object of Journey Escape is a familiar one to all those who have attended a rock concert. Starting with \$50,000, you have eight minutes to individually escort each of the five band members from the stage to their "escape vehicle." Seeking to impede your exit and empty your wallet are a series of groupies, autograph seekers, photographers, and shift promoters.

Rescuing each player becomes progressively more difficult as does each concert, or screen. Once all the band members are safely tucked into their limousine you move on to the next concert date. A computer reproduction of two songs from the band's latest album, "Don't Stop Believin'" and "Escape," provide the background sound.

When questioned about the possibilities of an arcade version of Journey Escape, Rice was quoted as saying that such a development was "obviously imminent." No video game has ever been introduced in the home market first



The popular rock band Journey are the stars of Data Age's new Journey/Escape video game.

and then made into an arcade game.

Journey Escape has a suggested retail price of \$34.95.

Along with Journey Escape, Data Age will be introducing three other Atari VCS-compatible video games at the Winter CES.

Bermuda Triangle, Frankenstein's Monster and another game tentatively-titled Secret Agent will be shipped during the first quarter. All three games have a suggested retail price of \$31.95.

The goal of Bermuda Triangle is

to collect as many underwater artifacts as possible from a lost city.

In Frankenstein's Monster, players must gather stones from the dungeons of the doctor's castle, and carry them to the tower where the monster is being created.

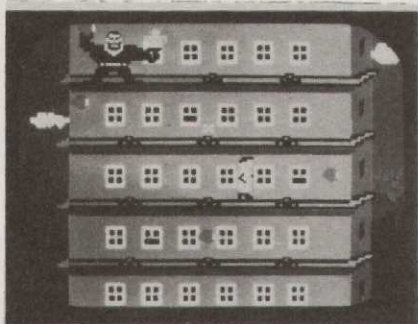
The player's job in Secret Agent is to collect as many valuables in the Swiss Alps, while avoiding loose timber and hand grenades.

Data Age games—Circle No. 150 on product card

Imagic Debuts Games for Mattel HW

LOS GATOS, Calif.—Imagic, Inc. has added four new Mattel Intellivision-compatible video game cartridges to its line: Demon Attack, Atlantis, Beauty and the Beast and Microsurgeon.

Originally available only for Atari equipment, Demon Attack became a popular seller the first month it was introduced. Accord-



ing to *Billboard Magazine*, the Atari version of Atlantis has been charted as one of the 15 most popular video games in the country.

Both Beauty and the Beast and Microsurgeon are brand new games, with graphics especially designed for Intellivision equipment.

In Demon Attack, quick reflexes and accurate shooting are required to defend the besieged Moon Station from hordes of attacking demons. Mounting an attack, the player flies off to blitz the flickering demon base.

In Atlantis, the goal is to save the underwater city from hordes of

alien invaders. Players dispatch Atlantean Flying Saucers from the Acropolis command post to attack the hostile craft before they can destroy the legendary city, the firm says.

Microsurgeon is an educational game, in which the player, a dedicated microsurgeon, tries to save a critically ill patient by maneuvering a surgical probe through the patient's bloodstream to cure tumors, blood clots and raging infection.

In Beauty and the Beast, the player becomes Bashful Buford. He dodges bats, boulders, rats and birds as he scales the old Mutton Building trying to rescue his girl Mabel from the clutches of Horrible Hank, the company says.

Imagic games are packaged in silver cartons that prominently display the games' graphics.

Suggested retail price of each new game is \$39.95.

New Intellivision-compatible games—Circle No. 206 on product card

Telesys Introduces Three VCS-Compatible Video Games

FREMONT, Calif.—Three new Atari-compatible games will be introduced by Telesys this month. Ram It, Star Gunner, and Block Out will debut at the Consumer Electronics Show in Las Vegas.

In Ram It, 32 color bars move toward a stripe in the middle of the screen. The player on the

Starpeth Bows New Video Game Line

SANTA CLARA, Calif.—Starpeth Corporation offers Escape From the Mindmaster, the first Multi Load game and the first in a new generation of computer games for the home.

A Multi Load game differs from other video games because it combines a series of games, based on a single theme, on to one cassette as chapters of a book. Each game, or load adds new characters, scoring and objectives, and increasing levels of difficulty.

STORED ON TAPE

Each individual game of the Multi Load games is stored on a separate section of tape and is loaded into the Starpath Supercharger memory as play progresses. Scores are added together for one final score and achievement rating.

All Starpath games are stored on tape cassettes rather than standard cartridges for the Atari

VCS. The cassette medium enables Starpath to sell its games for \$14.95 to \$17.95, half the retail price of cartridge games.

In Escape From the Mindmaster, the player is trapped inside the Mindmaster's mazes and must find



Escape from the Mindmaster is the firm's first Multi Load game.

his way through six increasingly complex mazes.

The player must solve puzzles and tests that the Mindmaster sets in his path.

Mindmaster—Circle No. 197 on product card

Telesys video games—Circle No. 217 on product card

More Video Games on Page S35

COLECO VISION™

THE BEST IS YET TO COME.



COLECO '83



YOUR VISION IS OUR VISION

Coleco Industries, Inc., Sales Office, 200 Fifth Avenue, New York, N.Y. 10010 (212) 242-6605

Circle No. 10 on product card

Third-Party SW Firms Enter Market as HW Sales Grow

Continued from Page S1

that increase or improve the functions of a machine or other software, or help a home computer user learn how to better utilize his system; for example, software that teaches programming.

- **Home and Personal Management**—personal accounting software, for example, as well as packages that allow personal computers to access remote data bases such as Dow-Jones or The Source.

The above listing is also grouped in the approximate order of importance to toy retailers, according to home computer software makers. Their estimations are backed up by their production. Games are currently king, and most producers indicate that educational software and its first cousin, educational game software, are growing in importance. Software makers refer to that area as "wide open" in terms of development possibilities as consumer demand for more and different types of software increases.

GAMES & EDUCATIONAL SW

Utilities come on the heels of educational software in these companies, development plans, while home and personal management software has been seemingly put on the back burner. There are packages available from many companies in the latter area, and many companies specialize in that type of software. However, marketing plans to first-time computer users in the home market generally appear to key on games and educational software first.

The home computer software manufacturers that **ELECTRONICS FOR KIDS** contacted for this article are among those who make product for the machines of three popular home computer manufacturers currently merchandising their hardware through toy outlets: Atari, including their models 400 and 800 home computers; Commodore's VIC-20; and Texas Instruments' (TI) home computer, the 99/4A. Those software companies include:

Adventure International, Longwood, Fla.; The Avalon Hill Game Co.; Baltimore; Broderbund, San Rafael, Calif.; CBS Software, New York; Hayden Book Co., Lowell, Mass.; Imagic, Saratoga, Calif.; Instant Software, Peterborough, N.H.; Milliken Publishing Co., St. Louis, Mo.; Readers Digest Services, Microcomputer Software Div., Pleasantville, N.Y.; Sirius Software, Sacramento, Calif.; Spectravision, New York; Thorn EMI Video Programming Enterprises, New York; and U.S. Games Corp., subsidiary of Quaker Oats Co., Santa Clara, Calif.

The consensus among these software manufacturers is that they will face more competition over the short term. They expect that a growing universe of hardware will inspire other independents to enter the market. However, many expect a shakeout to occur over

the longer term, following the pattern of other markets which have started off with a bang.

As a result, more sophisticated products are being produced and contemplated by those software manufacturers already in the marketplace, with higher price tags. The trend to software with more "bells and whistles" and unique features is already evident, both technically speaking—games with "high-res" (high-resolution) graphics, for example—as well as conceptually—such as multiple programs on a single cassette, tape or diskette, and programming tutorials allowing consumers to create their own applications.

GREATER SOPHISTICATION

These moves are being made in defense against an expected growth in the number of competitors, and in response to the increasing awareness of the consumer. As with most "high-tech" product from audio equipment to computers, consumers demand greater product sophistication as they ascend the learning curve. Some observers expect as well that some of the new competition will come from the technically adroit consumer who can create and market his own software.

Of the three hardware manufacturers' machines considered in this article, the makers all create and market proprietary software. The independent software manufacturers contacted have focused primarily on producing software for the Atari 400 and 800 home computers. The number of third-party manufacturers producing software for the Commodore VIC-20 is rapidly increasing, as that machine's popularity grows.

TI SW ENTRIES EXPECTED

Meanwhile, independent software producers say they are just beginning to design and market product specifically for the TI 99/4A. Until now, while Atari and Commodore users have had the choice of proprietary software from the manufacturer or third-party software, TI owners have had to settle for Texas Instruments' proprietary programs alone.

The Avalon Hill Game Co., for example, doesn't have "anything yet for the TI 99/4A, but we're looking at it," says Ron LaPorte, director of marketing/communications. But of their catalog of about 40 home computer software titles, 27 can be used on the Atari 400 or 800 in either cassette or diskette formats at prices ranging from \$16 up to \$35 retail.

"It seems like there's a thousand and software companies out there already," LaPorte comments. "But it's getting to the point where the consumer wants something better—more color, sound and substance. At the beginning, they were hungry for anything, but now they're becoming more selective."

Because the market is getting so crowded with software suppliers, LaPorte expects a shakeout.

"Somewhere down the line, distributors are going to have to decide what titles they're going to carry. And the companies with the better selling games, the better quality games, are going to stay around. The rest will fall by the wayside. The top 200 out of those now producing software will be around for a number of years, but after awhile the better businessmen will win out."

VARIETY OF SW

Avalon Hill, perhaps the first software house to produce cassettes containing a number of programs for a variety of machines "to make the product more marketable, so a dealer doesn't have to guess what kind of hardware his customers own," has been marketing table games to toy stores for years through its table game division, according to LaPorte.

The microcomputer games division, which develops and markets games, will continue to capitalize on that fact, he notes. "And, now that Toys R Us has begun to carry our software, I expect more and more toy stores will follow suit." To meet the demand, LaPorte says the company will be expanding its Atari and Commodore lines as well as looking at other machines, including TI. "We'll also probably come out with some educational software this year," he adds, although he cannot be more specific.

Kathy Carlston, marketing director for Broderbund, notes that of the three market areas the company attends to—games, home management and business—the home management and game segments are the strongest.

Broderbund has a full complement of educational games for the Atari 400 and 800, and it has recently entered the VIC-20 software area with two new games. Most of their games are designed for Apple Computer systems, but are being converted to Atari.

"We originally saw the home management and education markets as difficult ones to get into, because the distribution channels we were using were not handling education products," Carlston says. "But now that some major distributors are in the market and new ones popping up all the time, it's gotten easier."

A DOZEN PRODUCTS

Oscar Rodriguez, president of Hayden Book Publishing's software division, currently has about a dozen home software products for the Atari 400 and 800, including Micro Typing, a tutorial, at \$29.95 retail, and Musical Math, an educational game, at \$49.95. Hayden also plans on adding a family of game-oriented mathematics and geography packages.

"We don't really understand yet the potential support problems in the home market that could arise," Rodriguez says, "and we're using our Musical Math cartridge (an educational game) as a trial." Educational software requires

some documentation, Rodriguez explains.

Hayden is currently pursuing private label licensing arrangements with Commodore for VIC-20 software. "We've purchased both the VIC-20 and the TI 99/4A," Rodriguez adds, "but we have no definite plans for producing software for those machines. But we are sensitive to what's happening. All the hardware manufacturers are out there spending money, creating primary demand for software. We don't know what will happen by the end of 1983," by which time Rodriguez expects the best-selling home computers should be evident.

CONSIDERING TOY OUTLETS

As far as merchandising through toy stores is concerned, Rodriguez says, "We understand the benefits of dealing with one firm that could afford us multiple outlets," noting that discussions with major chains are continuing. "But there are other issues. For example, there are a finite number of dollars available. The question is, where do we spend the money to get the biggest potential bang?"

And there are some sensitive issues involved, Rodriguez notes. "The idea that video stores are considering renting home computer software just as they rent video cassettes concerns me greatly. That could hurt the sales of the business, and might make toy stores consider not being on the sales side at all, or possibly renting software themselves," Rodriguez says.

Earl Ratliff, president of Video Wizard, has six home computer software programs for the VIC-20.

"We're emphasizing games," he says, "and looking at the TI 99/4A and the Atari, as well as other machines. Over the next two or three years," he adds, "I expect that educational programs and home management tools will become much more important."

CANNOT CARRY EVERYTHING

In the meantime, Video Wizard will be "going after any outlet that sells home computers" as an outlet for its software product, including sales and rental through video stores. "Dealers can't carry everyone's software," he comments, "and sooner or later they are going to have to make some hard decisions." So the year-old company is pushing hard to establish itself in the marketplace, which he expects will become much more crowded. "But, just like the LED watch and calculator business, there will be a shakeout," says Ratliff.

Milliken Publishing Co., whose Edufun Division specializes in educational games, currently has 16 Math Fun games out for the Atari 400 and 800, as well as four Word Fun games. President Bodie Marx calls them a "sneaky combination of games and learning." The firm is also working to convert those pro-

Continued on Page S25

Home Computers

Parker Brothers to Enter the Computer SW Category

BEVERLY, Mass.—Parker Brothers reports that it will enter the home computer software market this year. The entry into this market, which is expected to double in size to about \$500 million next year, follows the company's introduction into the video game market last year.

Parker Brothers will produce a line of game cartridges in 1983 which will be compatible with the leading computer systems for the home, such as the Atari 400/800, Commodore VIC-20 and Texas Instruments' 99/4A. Subsequent introductions will consider the leading personal computer systems such as IBM and Apple.

The full line will be previewed at the Summer Consumer Electronics Show in Chicago in June, with the first cartridges expected to be shipped that month.

With personal computers expected to be more than 4½ million homes next year, the demand for quality entertainment software represents an attractive opportunity for the company, Parker Brothers says.

NEXT GENERATION

"We have been in the home entertainment business for the past 100 years," said Douglas Bate, marketing manager for personal computer software. "We've been successful because of our ability to adapt our games to each new generation. Computer games are the next generation."

The computer software line will include a wide variety of product types designed for game players of all ages. Popular arcade games such as Frogger will be included but other categories will also have a major role.

"The additional power (memory) of a computer as compared to a video game system offers opportunities for games beyond action games," said Bate. "We intend to take advantage of those opportunities."

Adventure games, which challenge players to find hidden treasure using a series of clues, are currently being developed by the Parker Brothers design groups. "We are developing some innova-

tive play concepts in this area," added Bate.

Parker Brothers will also introduce a series of children's games. Dubbed "Discovery Games" in-house, these games will be de-

signed to stimulate the learning process by making it fun and challenging for the child.

The adaptation of several classic games to computer format is also in the development stages.

The familiar Parker Brothers' classic game of Risk will be one of the first games introduced in this category. According to Bate, the challenge is to determine how the system can help the games.

HirschCo Forms its Own Home Computer Subsidiary

ELK GROVE VILLAGE, Ill.—Jack Hirsch, president of HirschCo of Elk Grove Village, Ill., has announced formation of Video Technology (U.S.). The new company is a joint venture between HirschCo and Video Technology, Ltd., of Hong Kong.

LOW-PRICED UNITS

Initial product offerings from Video Technology (U.S.) will include a low-priced personal computer and a combination video game/computer unit. The company will debut its product line at the Winter Consumer Electronics Show in Las Vegas. Other new products being introduced at WCES include handheld and table top electronic games as well as a full line of computer and video game software for its new systems.

According to Hirsch, distribution in the U.S. will be through both toy stores and electronic outlets. Capital for the new venture, says Hirsch, will come principally from the Hong Kong outfit and all manufacturing will be done there.

The new V-Z 100 personal computer has a full-size keyboard, 12K ROM, and will carry a suggested



retail price of \$89.95. Peripherals available will include 16K and 64K memory expansion modules, disk drive printer, joystick, and phone modem. Hirsch called the V-Z 100 an "ideal beginner's computer because of its price point."

There will be 40 software programs for the V-Z 100 introduced at WCES including games, business, and educational programs. Hirsch added that no language programs are initially scheduled but that a homemaker series is in the

works. Software for the V-Z 100 will retail for about \$15.

The unit, known as Create-A-Vision, is in distribution outside the U.S., according to Hirsch. Computer software offerings for the Create-A-Vision will be the same as those for the V-Z 100 and additionally, there will be 15 game cartridges available which will retail for around \$30 each.

Video Technology line—Circle No. 221 on product card

InterMagnetics Creates Game Software Subsidiary

GARDENA, Calif.—InterMagnetics Corporation, a manufacturer of video equipment and manufacturing plants, has formed a new company, called Magnetic Tape International (MTI) to market games for computer and video game systems.

Russell C. Greene has joined the new operation as its president. Previously Greene was executive vice-president of SICO, Gardena, Calif., a tape manufacturer. Prior to that, Greene was a senior executive with Mattel, Inc. for 12 years.

MTI's products will be sold under

the ZIMAG brand name, and the company plans to spend \$3 million initially on consumer advertising. The twelve video games to be introduced at the Winter Consumer Electronics Show will be compatible with such systems as Atari VCS, Atari 400/800 home computers and the Commodore VIC-20.

NINE GAMES

The suggested retail prices for the MTI game line range between \$24 and \$35 each, the company says. The names of the games are the following: Nineball, Collision Course, Quest for the Inca Gold, Kerplop, River Rat, Bail Out, Cosmic Corridor, Tanks But No Tanks, Caverns of Or, Dishaster, I Want My Mommy and Cat-Nap.

COMBINATION GAME

Nineball is a combination of billiards and pinball, which comes in Atari 400/800 and VIC-20 formats. Collision Course is a space game where players must protect the mother ship through enemy space areas. This game is made in Atari 400/800 and VIC-20 formats.

Quest for the Inca Gold is an adventure maze game and Kerplop

concerns players dropping water balloons on game characters. In River Rat players guide a speed boat up river in a race against time, and in Cat-Nap a noisy cat keeps an entire neighborhood awake. All of these games are in both Atari 400/800 and VIC-20 formats.

MTI is also offering six video games designed for use with the Atari VCS. Two games, Dishaster and I Want My Mommy, are designed for children ages 5 to 8. In the former, a clown must balance dishes on poles in time to the music. In the latter game a teddy bear has to climb a rope, and avoid obstacles, to reach his mother.

Caverns of Or is set in space and involves a black hole, Tanks But No Tanks is a game of tanks and mazes, Cosmic Corridor is described as a "space shoot-em-up game," and Bailout involves battle helicopters at sea.

ZIMAG video game and computer game lines—Circle No. 210 on product card

Mattel Offers Two Home Computers

Continued from Page S25

Based on results from test markets in 1981-82, the original Keyboard Component has now been designed as a home computer, with retail pricing anticipated to be under \$150. Initial distribution is expected by mid-1983.

The company asserts that when the keyboard and adaptor modules are plugged into the Intellivision Master Component's 16 bit microprocessor, the System utilizes built-in BASIC program language

and a range of software, including color coded graphics to reach children through game play, three dimensional graphics combined with music, a new generation of sport games and the opportunity for individual programming of home video games.

Aquarius system, software and peripherals—Circle No. 207 on product card

Intellivision Entertainment Computer System—Circle No. 208

Use Our Reader Service Card

New Atari Computer Compatible With 400/800 Units

SUNNYVALE, Calif.—Atari's Home Computer Division debuts its new home computer, the 1200XL model, which is compatible with Atari 400 and 800 software and peripherals.

The 1200XL has 64K of built-in random access memory, 12-user programmable function keys and built-in diagnostics.

According to John Cavalier, president of Atari's Home Computer Division, the suggested retail price will be "under \$1,000, possibly \$899." Initial deliveries will begin this month.

The computer features a top-quality keyboard which includes 12-user programmable function keys. The most important functions implemented by these keys include: shifting into a European character set; turning off the screen to preserve the quality of the monitor when the unit is left on and unattended for extended periods; and disabling of the keyboard to assure that programs be-

ing run won't be disturbed by the touch of a key.

The help key on the unit performs two functions: gives the user instructions and performs self-diagnosis to assure that all of its components are in peak operating condition.

Other features include one-touch cursor controls, a spectrum of 256 colors available for display and four distinct sound "voices" covering 3 1/2 octaves on the computer's built-in speaker, the company says.

Three peripherals designed for the 1200XL are also available from Atari. Those peripherals are the model 1010 Program Recorder, the model 1025 80-column printer and the model 1020 40-column printer/plotter, all of which are compatible with the Atari 400 and 800 systems.

The model 1010 is a cassette memory system that uses standard audio cassettes. It will be avail-



able in March for a suggested retail price of \$99.95.

The model 1025 features 80-columns of dot-matrix characters printed at 40 characters per second. It will be available in April at a suggested retail price of \$549.

The model 1020 offers four-color text and graphics on 4 1/2-inch

wide paper. Users may select among 16 different colors from the four print pens. Suggested retail price is \$299, with deliveries set to begin in April.

Atari 1200XL home computer—Circle No. 226 on product card
New peripherals—Circle No. 227

Broderbund Offers Three Packages For the Vic-20

SAN RAFAEL, Calif.—Broderbund Software, Inc., has introduced three new software programs to run on a Commodore VIC-20 personal computer.

In Martian Raider, the player guides their intergalactic battle ships to attack Mars. Skimming close to the surface of the planet it devastates Martian cities and destroys ammunition dumps, while

warding off ground to air missiles, U.F.O.s and meteorites.

Sharktrap is a game where the player has been thrown overboard by pirates into shark-infested waters. The object is to try to snare the sharks with an atomic net while avoiding deadly octopi.

Multisound Synthesizer is a keyboard controlled program in which the operator can compose their

own music and special effects.

Broderbund also markets seven video games for the Atari 400/800 computers available on diskette. These include Choplifter, Serpentine, Labyrinth, Star Blazer, David's Midnight Magic, Track Attack and Dueling Digits.

Broderbund Software—Circle No. 199 on product card

TI Extends Offers On 99/4A and Speech Synthesizer

LUBBOCK, Tex.—Texas Instruments reports that it has extended its \$100 rebate for the TI-99/4A home computer through April 15.

In addition, the offer of a free Solid State Speech Synthesizer with the purchase of any six Solid State Software command modules has

also been extended to April 15.

Both offers were originally scheduled to expire on January 31, the company says.

"The demand for the TI 99/4A home computer and Solid State Speech Synthesizer has been unusually strong," says William

Turner, president of the Consumer Group.

"Despite significant increases in our production rates, supply will still be short of demand," he adds.

That is why the company decided to extend the rebate offers, he says.

ISA Software to Produce Game SW Based On Benji

DALLAS—ISA Software has signed an agreement with Mulberry Square Productions for the development and marketing of an entire line of Benji home computer games.

The games will be developed jointly by the two companies, and are described as being, "computer games and educational games."

The software will be introduced

at Toy Fair next month. Plans call for games to be compatible with Atari, Commodore, Texas Instruments and Apple Computer systems.

ISA Software also reports that it will introduce Coco 2, an educational software program that enables users to play and design their own video games.

Coco 2 does not require previous knowledge of computers. It is designed to run on Commodore VIC 20 and 64 systems.

Benji computer games—Circle No. 218 on product card
Coco 2—Circle No. 219

New Peripherals For Timex Computer

MIDDLEBURY, Conn.—Timex Computer Corporation will be displaying new peripheral equipment for its TS1000 home computer, and new software for the system at the Winter Consumer Electronics Show this month.

40-COLUMN PRINTER

A new 40-column printer, which will have a suggested retail price of under \$100, is thermal and prints two lines per second.

Also to be introduced at the show is the Timex modem, which features auto-dial, 300 BAUD and

plug-in technology, eliminating the need for an acoustic coupler, the company says.

This modem will allow the computer to communicate with many data base systems available to consumers and business.

Timex also says that thirty new cassette software programs will be introduced at the show, expanding the units present catalogue to sixty.

Peripheral equipment—Circle No. 215 on product card
Timex software—Circle No. 216

Milliken Intros Four Wordfun! Games

ST. LOUIS, Mo.—Milliken Publishing Company's Edufun! Division is introducing four new Wordfun! educational computer games at the Winter Consumer Electronics Show.

The first units will be available for the Atari 400 and 800 computers. These Wordfun! games will complement the first twelve Mathfun! games in their product line.

Topics covered include: vocabulary development, word structure and spelling.

Each Wordfun! package includes two age-specific games, a user's guide with suggestions for ways in

which parents can extend the educational concept into everyday situations, scorecards, and other support material.

Cassette packages, containing two educational games, have a suggested retail price of \$29.95; diskette packages, containing two educational games and a record-keeping system, have a suggested retail of \$32.95. Cartridge packages for the Atari and VIC-20 computers for the twelve new Mathfun! games will be available in 1983.

Wordfun!—Circle No. 200 on product card

Gamestar Debuts Sports Software

SANTA BARBARA, Calif.—Gamestar, Inc. has joined the growing home computer software market by offering two sports oriented games for the Atari 400 and 800 home computers.

Baja Buggies emphasizes 3D graphics, including a scrolling mountain range, the company says.

Players race a dune buggy in the desert against "world legends" that the computer controls. The names of these driving legends are "Mario Sandunni, A.J. Cactus and Parnelli Pothole."

The game is available on cassette and diskette for both systems, with a minimum of 16K memory, for a suggested retail price of \$31.95, the company says.

Starbowl Football is available in the same configurations as the other game, and at the same price.

This game emphasizes realistic gridiron action and animated players. Players can play solitary, against the computer, or against a human opponent.

Gamestar games—Circle No. 223

Home Computers

Spectra Video Introduces a Computer and Peripherals

NEW YORK—Spectra Video, Inc., marketers of the Spectravision line of Atari-compatible video game cartridges and the Quick Shot joystick, is entering the computer market at the Winter 1983 CES with its Spectravideo SV-318 personal computer system.

It is being introduced at a suggested retail price of \$299.95 with a full line of hardware peripheral products, over 100 educational and entertainment software programs and a national service support program.

According to the company, the SV-318 is designed to compete with Apple II Plus, Commodore 64, Atari 800, NEC 6001, and Radio Shack Color Computer.

Some outstanding features and specifications include: Z80A CPU with built-in 32K ROM memory capacity, expandable to 96K; built-in 32K RAM memory capacity, expandable to 144K; a fast clock of 3.6 MHz for high speed processing; built-in extended Microsoft BASIC

interpreter/internal monitor program (machine code), and built-in 80-column 2.2 CP/M and new CP/M Plus compatibility.

The keyboard features: 71 keys (ASCII AQETY board); upper and lower case alphabet; 52 graphics symbols; 10 user definable functions; 16 separate colors, built-in joystick; separate game cartridge slot; graphic resolution of 256 x 192, and program "status" line on screen. Display output is 32 (5x9) dot matrix characters x 24 lines. The unit also provides three audio channels at 8 octaves per channel.

The fourteen Spectra Video hardware accessories that are available for immediate delivery include: SV-903 Dual Channel/Stereo Data Cassette Drive at a suggested list of \$89.95, SV-902 Floppy Disk Drive at \$525, SV-901 Dot Matrix Printer at \$499, SV-601 Seven Slot Super Expander at \$175, SV-701 Dual Baud Rate Modem at \$175, SV-105 Sensor Touch Graphic Tablet at \$129.95, SV-602 Single Slot



Expander, SV-801 Disk Drive Controller Cartridge, and SV-802 Centronics-Printer Interface. Other peripherals include a SV-805 RS-232 Interface Cartridge, SV-806 80-Column Display Card, SV-803 16K RAM Expander Cartridge, and SV-101 Quick-Shot Joystick Controller. Suggested retail prices on

some of these products will be announced later.

A fifteenth accessory to be introduced at CES is a Coleco video game Adaptor.

SV-318 home computer and peripherals—Circle No. 201 on product card

Atari Debuts New Software For the 400, 800 and 1200XL Computers

SUNNYVALE, Calif.—Atari's Home Computer Division is offering several new software packages which are compatible with its 400 and 800 units, as well as its new 1200XL home computer.

In the entertainment area there are five new games, based on popular video games. The packages are E.T. Phone Home, Dig Dug, Galaxian, Defender and Qix.

Suggested retail prices of these games are \$44.95 each, except for the E.T. cartridge, whose price has not yet been announced.

Release dates of these games

range from last December to April of this year.

Two educational cartridges are Juggle's Rainbow and Juggle's House. Both will be available by this month, and will have a suggested retail price of \$29.95.

HOME MANAGEMENT

In the home management category, Atari will be releasing three new cartridges during March. They are Family Finances, Timewise and Atari Writer. Suggested retail prices for these packages range from \$29.95 to \$79.95 each.

A personal development product, Atari Music I, has also been introduced by the company.

Four special kits for Atari computers are available from the firm.

They are The Home Manager Kit, which includes Family Finances and The Home Filing Manager. Shipping begins in February. The kit has a suggested retail price of \$89.95.

An updated Programmer Kit will be available in February. It includes all of the materials needed to help the beginner learn the fundamen-

als of computer programming.

The Communicator Kit enables users to access the information networks with a direct telephone connection.

Suggested retail price is \$279.95. First deliveries will be next month.

Atari entertainment software—Circle No. 225 on product card

Atari educational software—Circle No. 450

Atari personal development program—Circle No. 451

Special Atari software kits—Circle No. 452

Scholastic Debuts Wizware SW Line

NEW YORK—Scholastic, Inc. introduces its first six home computer software packages, designed for children ages 8 to 14 years old.

The company's programs are part of its Wizware line. The software comes in Apple II, Atari 800, Commodore VIC-20 and Texas Instruments 99/4A formats, but not all of the packages are available in all formats.

The names of the software are: Microzine, Match Game, Turtle Tracks, Nerd Alert, Electronic Birthday and Your Computer.

Microzine is described as "the first children's magazine on computer." Four packages are scheduled for 1983, but after that a new software package in the series will be available every six weeks.

Match Game is a game of colored boxes, which can help develop learning skills.

Turtle Tracks is "a colorful

Continued on Page S41

Syncro Bows Game Software for Atari 400/800 Units

WESTLAKE VILLAGE, Calif.—Syncro, Inc. is offering five new games for the Atari 400/800 computers.

The games come in cassette, diskette and ROM formats, although ROM versions of these games will



Syncro's Laser Ants game, designed for Atari computers.

be available in March, the company says.

The names of the games are Laser Ants, Astron IX, Cave of the Evil Jinn, and Stargate Courier, and Puzzle Panic.

Laser Ants is available in 16K

cassette for a suggested retail of \$24.95. It is also available in diskette for \$29.95, and by March, it will be in ROM for \$35.95.

Astron IX will have suggested retail prices of \$24.95 in cassette, \$29.95 in diskette and \$35.95 in ROM.

The Cave of the Evil Jinn is available on 40K diskette for a suggested retail price of \$34.95.

Sirius Offers Four New Games

SACRAMENTO, Calif.—Four new games for use with the Atari 800 computer have been introduced by Sirius Software, Inc.

The player in Bandits uses his protective energy field and laser to ward off space bandits who are out to kill him and steal his supplies. Sneakers features eight different attacks from colorful animated characters. There are five increasing levels of difficulty in Sneakers.

In Snake Byte, the player is a snake who starts out by eating apples which make him faster and

Stargate Courier comes in all three formats and is priced as follows: 16K diskette, \$26.95; 24K diskette, \$31.95; and ROM, \$36.95. The latter version will be available in April.

Puzzle Panic is available in 24K cassette, \$22.95; and in 32K disk for \$27.95.

Syncro line—Circle No. 222 on product card

bigger. Carefully avoiding dangerous walls, poisonous plums, and even breaking his own fangs, he must then get through a series of 28 mazes.

Wayout is a three dimensional maze game that comes with a compass and costume glasses. Wayout has a suggested retail price of \$39.95, Bandits is \$34.95, while Sneakers and Snake Byte are both \$29.95.

Sirius software—Circle No. 215 on product card

CBS Software Offers New Games, Learning Packages

NEW YORK—CBS Software, a unit of the CBS/Columbia Group, will introduce a full line of new home computer software at CES that is designed either for the Atari 400/800 systems, or the Commodore VIC-20.

Four packages that the company is currently marketing, under li-

censing agreement with K-Byte, a division of Kay Enterprises, will be displayed at the show.

The four packages, which were introduced in the fall, are K-Razy Shootout, K-Razy Antics, K-Star Patrol and K-Razy Critters. All are designed for the Atari 400/800 units.

Ed Auer, president of the unit, reports that VIC-20 versions of K-Razy Antics and K-Star Patrol will be introduced at the show. Two more K-Byte games will be designed for the Atari 400/800 systems. The names of the two games were not available at presstime.

CBS Software will also be intro-

ducing two games based on Bally coin-operated arcade games, Domino Man and Blue Print. Both games will be compatible with the Atari home computer systems.

Time Trials is designed as a series of math games which can be played on both the Atari 400 and 800 computers. Auer expects two or three packages in this line to

Continued on Page S40

Odyssey is about to change the name of the game.

You don't need us to tell you how fast the video game business is growing and changing. If not by the minute—pretty close to it. But, like the man said, "You ain't seen nothing yet."

With this year's CES show, Odyssey® is about to introduce a brand-new generation of products that not only are sure to expand the video game market but will even expand it to newer market segments.

If you're looking to get in on the latest action, stop by the Odyssey booth. You'll not only see how we're changing the name of the game but how there's no other game like it in town.

CES Booth 700

ODYSSEY

© 1982 N.A.P. CONSUMER ELECTRONICS CORP.
A NORTH AMERICAN PHILIPS COMPANY

Rebound in Handheld Games Sparked By Licensed Goods

Continued from Page S1

ation. Bill Marine, toy buyer for Hess' in Allentown, Pa., observes, "We're very conservative because we're still filtering out a few of the old goods."

The trend toward consolidation among manufacturers has helped make product selection an easier task for the toy buyer. Faced with smaller lines of handhelds from a smaller number of suppliers, many buyers have focused their attention on licensed arcade-type games. Impressed by the popularity of these licensed games, industry observers are crediting them for leading the rebound in handhelds.

There are several reasons for the boom in arcade-type games, not the least of which is their recognizable names. Jack Greenman, president of Watson Triangle, wholesale toy buyers based in Miami, Fla., thinks consumer awareness is helping the handheld market tremendously. "What people are looking for," says Greenman, "is recognizable titles and game play. It's great to have a hot licensed title but the game also must be worth playing."

Having a game that is pre-sold through its exposure in arcades and home video is not the only advantage of an exclusive license. With fewer manufacturers in the

marketplace, there are fewer duplicative games for buyers and consumers to sort through. The knock-off games which helped flood the market in 1981 have largely disappeared.

HEALTHY PROFIT MARGINS

One aspect of the licensed games that's particularly attractive to toy retailers has been their ability to maintain healthy profit margins. When self-contained games initially hit the marketplace, a \$50 price tag was unheard of. However, the new breed of larger, table-top games with their advanced technology has moved price points upward.

While it's somewhat surprising to see handhelds go up in price following an off year, toy buyers generally agree it is justified. Don Kapica, electronic toy buyer for the Broadway Stores in Los Angeles, observes, "Pricing is higher but the game play and the cosmetics are so much better. The new technology in handhelds will help the market a great deal. Nobody needs a second copy of something they already bought."

Consumer willingness to pay for the licensed games has been a vital factor in the stabilizing of the self-contained business, according to Greenman of Watson Tri-

angle. "The Coleco games are at a price point far above what we've been used to carrying when it comes to electronic games. If a company has the right license and the right product, people will pay the price." He adds, "There hasn't been a resistance to the pricing of the products people really want. But on the smaller handheld games, there is no recognizable license and it becomes a matter of who can sell it for less."

KEY TO THE MARKET

Shelly Goldberg, toy buyer, Merchants West in Los Angeles, also sees the hot licensed games as a key to the resurgence in handhelds. He says that while the market has dropped measurably in the past two years, consumers will "pay for a certain product if it is unique and fits the proper timing."

It's that uniqueness of these licensed games, Goldberg says, that's put them at the top of the self-contained business. "With handhelds, the right terminology to remember is the word certain. People are willing to pay for certain products but they're not willing to pay for the amount of products that are out there. There has to be a unique situation for a handheld to do well."

Toy buyers' opinions differ

greatly when asked to gauge they are the overall handheld market. Some feel that with manufacturers producing a streamlined product line and consumers buying more selectively, the portable electronic game market is becoming more of an item business than a separate category. David Lakin, toy buyer for the Gary, Indiana department stores, Riss Sales, looks at 1982 as a good example. "This year you have Pac-Man and Donkey Kong and next year there will be some portable electronic games that will sell very well. But it won't be across the board."

Other toy buyers, like Kapica, are more optimistic. "Handhelds have become a basic category for toy stores and toy departments. The market has leveled off and there will be probably 10 to 15 good-selling games this year."

NO IMPORT PRESSURE

In the middle of the explosive growth period a few years back, the handheld business started to feel pressure from imports which contributed greatly to the oversaturation of the market. According to many industry people, this trend appears to have stopped. "There hasn't been that much pressure from imports with the portables," says Marine of Hess. "I

Observers Call Video Game Market Strong, Despite Atari's Shortfall

Continued from Page S12

ber and would show an increase once in December and January sales figures come in. "We've already seen the best new competition," he said.

Despite saying he looked for Atari cartridge sales to be good in 1983 in the face of increased competition, Gerard warned not to expect continued unrestrained growth for video games. "We do not expect a dramatic increase in cartridge shipments in 1983," Gerard remarked.

Mort Handel, vice-president of Coleco Industries, said that Atari has, "woken up to the fact that there are competitors in the marketplace." He added that, "The competition has been there for awhile, but they haven't been prepared to pay heed to that fact."

SALES STILL STRONG

Coleco's Handel asserted, "The Atari announcement does not affect the fact that retail sales are still running well ahead of last year's and will continue to run along those lines."

Michele Preston, who watches the industry for the brokerage firm Cyrus J. Lawrence, Inc., concurs with Handel. "I think there might be a slight softness in the market, but the most important point is that Atari has lost significant market share."

Preston noted that hardware sales, including Atari's, remain strong. "I am more comfortable about hardware sales for 1983 than

I am about software. If everybody introduces as many titles as they did in '82 there will be too many cartridges on the market. I think the industry was looking for 75-80 million cartridge units in '82 which is about five per machine. Maybe that was too high an expectation. Fifty to fifty-five million seems like a more reasonable estimate."

Another factor, said Preston, is consumers demanding good game play. "I think there is an attitude out there of 'O.K., you've got a great license but you better have a good cartridge to go along

with it."

Richard Stearns, vice president of Parker Brothers, pointed out that Atari's troubles may lie in bad forecasting. "I think many of their problems come from what their expectations were, which may have been unrealistic from the beginning. If they've got huge inventory that they can't sell, that was poor planning. But it's never easy to plan in this marketplace."

Stearns said that Parker Brothers' accounts are reporting brisk sales for video games. "At retail, the hot cartridges are moving as

fast as they can get them on the shelves. My only concern is the extent to which Atari's problems become retailer's problems. If retailers have overbought, that's going to affect whole industry in '83 because in a situation like that there is too much product on the market and something has to give."

"Right now it seems to be a company problem and not an industry problem," observed Stearns. But a company problem, especially if it's Atari's, can become an industry problem. ■

Koch Company Offers Arcade-Style Joystick Adapter

IRVINE, Calif.—Koch Company offers the Triggerstik, an arcade-style joystick adapter for home video game use, which features the fire button on the top.

The product is designed to convert Atari and compatible joysticks to arcade-style operation, with the firing mechanism on the top, the firm says.

"Triggerstik slips on and twists into position," says Rich Koch, president of the company.

It requires no assembly, no wires, and it is said to be the only joystick that does not require electricity.

Nationwide distribution of the product began last month. Suggested retail price of Triggerstik is two for \$9.95.

"This low price puts the joystick, with the fire button on top, within



selling the product.

"We are offering profit margins up to 55 percent, ten percent co-operative advertising deals, and free point-of-purchase displays featuring high-impact graphics,"

the price range of everyone," Koch says.

Koch Company is offering dealers and wholesalers several aids in Koch says.

Koch Company is the exclusive sales and distribution entity for Triggerstik.

Triggerstik—Circle No. 231 on

Westmark Unveils Game Organizer

HOUSTON—Westmark debuts Videopak, a video game organizer that is also a game console, storage unit and carrying case.

Videopak is designed to accept Atari, ColecoVision and Mattel Intellivision units.

Videopak—Circle No. 230

think most people are staying away from them because the number of defects caused a lot of problems for people."

Lakin concurs that the import pressure is "largely gone." He feels that most of these importers have, like many other manufacturers, placed their attention elsewhere. He adds, "They're all probably concentrating on making

video game cartridges."

VIDEO GAME INFLUENCE

One point that industry people agree upon is the profound influence video games have had on handhelds. While other businesses like the record industry claim they're being hurt by video game sales, no one doubts the effect video games have had on the self-

contained market. As Goldberg of Merchants West puts it, "It's apparent that the impact is dramatic. The dollars are still being spent but they're being spent on video games."

Toy buyers claim the two biggest factors involved when choosing between video games and handhelds are game play and price points. Watson Triangle's Green-

man thinks video games affect portables more than any other category, noting, "A portable game just can't compare with a cartridge in terms of excitement and realism."

Game play and price points have compelled one retailer, G.C. Murphy of McKeesport, Pa., to stay out of the portable electronic game

Continued on Page S34

The Masters of Creation give You the Power.

POCKET POWER

Open your eyes! Look what's now in pocket-size! Only from Nintendo, creators of DONKEY KONG™, comes Pockysize GAME & WATCH™. Many exciting new versions—12 games so far. There's MULTI SCREEN GREENHOUSE™. With Stanley the Bugman fighting masses of creepy, crawly creatures. See Mickey Mouse

MIKEY & DONALD™

help Donald Duck while Goofy goes off in MICKEY & DONALD™. And of course, everyone's favorite, DONKEY KONG™. Now, for the first time in WIDE SCREEN comes DONKEY KONG JUNIOR™.

NINTENDO is committed to making GAME & WATCH the most powerful line of hand-held electronic games for 1983, supported

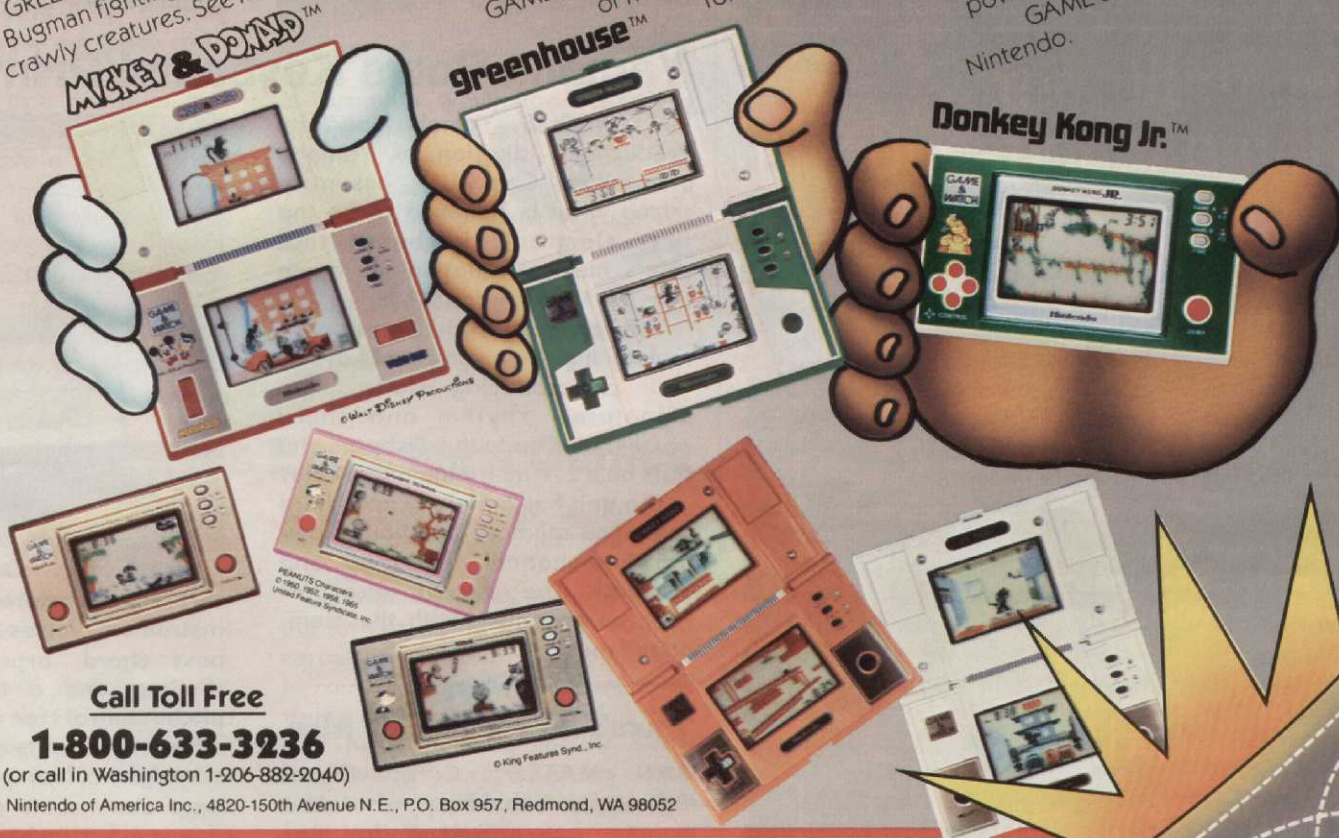
Greenhouse™

Nintendo®

Masters of Creation.

by a multi-million dollar TV and print advertising campaign. POCKET POWER means selling power for you. GAME & WATCH. Only from Nintendo.

Donkey Kong Jr.™



Call Toll Free

1-800-633-3236

(or call in Washington 1-206-882-2040)

Nintendo of America Inc., 4820-150th Avenue N.E., P.O. Box 957, Redmond, WA 98052

© 1983 Nintendo of America Inc.

Circle No. 12 on product card

Portable Electronic Games

SciSys Debuts New Chess Games and a Bridge Unit

NEW YORK—Five new electronic games, including the company's first bridge game, are being introduced by SciSys. Play Bridge allows the player to compete against the computer on two skill levels and follows the limited Natural System of bidding.

The player is dealt cards which appear on the LCD screen and he then is allowed to bid against the computer. Play Bridge is designed for beginner bridge players and has a suggested retail price of \$35.95.

The other new offerings from SciSys include Chess Partner 3000, a table top chess computer featuring eight levels of play and a display that signals captures and checks. Suggested retail for the Chess Partner 3000 is \$45.

President Chess features a 16K byte program and a "Natural Play" magnetic sensor board which automatically senses a move without pressing down on the square. Both classical and hypermodern styles are included in opening play. President Chess will carry a \$270 suggested retail.

SciSys is also adding two modules to its Chess Champion Mark V. The Chess Champion Natural Play Sensor Board add-on fits into the Mark V, allowing automatic move sensing similar to that of the President Chess game. Included with the new Sensor Board is the Mark VI/Philidor Module, the successor to the Mark V/Travemunde program. The Philidor Module has a

broader range of openings and significant improvements in the End Game. Sold together, the new modules retail for \$250.

Also from SciSys is the Intercontinental Traveler, a new model of popular Chess Traveler featuring a faster microprocessor and new LCD display. Suggested retail for the Intercontinental Traveler

is \$62.50.

Play Bridge—Circle No. 155

Chess Partner 3000—Circle No. 156

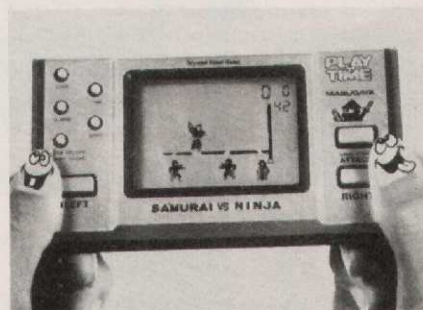
President Chess—Circle No. 157

Chess Champion Natural Play Sensor Board and Mark VI/Philidor Module—Circle No. 158

Intercontinental Traveler—Circle No. 159

Thumb Power Offers Eight Games

SAN MATEO, Calif.—Thumb Power has debuted its line of eight electronic handheld games. The new Thumb Games feature color graphics, two skill levels, and a built-in digital alarm clock.



Two of the new games, Samurai vs. Ninja and Jungle Adventure/Woodman, feature alternating display graphics which, according to the company, provide motion and dimensional qualities similar to full-size video arcade games.

The six other new games are Pipeline, Grassland, Kitchen, Under Construction, Space Station, and Fish Catching. All of the

Thumb Games are manufactured by Masudaya of Japan and come with their own built-in stand and long life NiCad batteries.

Samurai vs. Ninja—Circle No. 165
Jungle Adventure/Woodman—Circle No. 166

Pipeline—Circle No. 167

Grassland—Circle No. 168

Kitchen—Circle No. 169

Under Construction—Circle No. 170

Space Station—Circle No. 171

Fish Catching—Circle No. 172

PM Industries Unveils Game Line

VAN NUYS, Calif.—PM Industries, Inc. has introduced a line of battery-powered handheld games with built-in quartz clocks.

Two of the new games, Thief in Garden and Shuttle Voyage, have calculator functions including mixed, power, constant, and percentage. Suggested retail for Thief in Garden is \$39.95 and Shuttle Voyage is \$37.95.

The other three games—Space Rescue, Space Mission, and Goalkeeper—feature the quartz clock function and carry a suggested retail of \$35.95 each. All of the new games feature LCD screens and run on 1.5 volt penlight

S&R Intros New Reader's Digest Game Programs

BAY SHORE, N.Y.—Selchow & Righter is introducing five new programs for its Reader's Digest Q & A Question & Answer Game. The new programs each contain over 60 pages of questions with a total of more than 1,200 questions in each book.

The new subjects covered are S.A.T. Reading Comprehension, S.A.T. Math, Word Power II Junior Word Power II, and Nostalgia/Trivia. Each spiral-bound booklet fits neatly into the cradle of the Q & A console.

S.A.T. Reading Comprehension—Circle No. 183 on product card

S.A.T. Math—Circle No. 184

Word Power II—Circle No. 185

Junior Word Power II—Circle No. 186

Nostalgia/Trivia—Circle No. 187

batteries, the company says.

Thief in Garden—Circle No. 160



Shuttle Voyage—Circle No. 161

Space Rescue—Circle No. 162

Space Mission—Circle No. 163

Goalkeeper—Circle No. 164

Epoch Is Set to Debut Five Games

ENGLEWOOD, N.J.—Epoch is planning to unveil four or five new self-contained electronic games at the Toy Fair in February, according to a company spokesperson.

While unable to give specifics on the new games before presstime,

the spokesperson did say that Epoch will be adding new LCD display games and to "look for some new solar-powered games." Also planned for 1983 releases are several licensed character games.

Self-Contained Market Rebounds

Continued from Page S33

business for the time being. Their toy buyer, Dennis Ahearn, says, "It's partially because of the price points of handhelds versus those of video game cartridges. Also, we believe they definitely compete for the same dollars as game cartridges but don't stack up that well against them."

The dramatic effect video games have had on handhelds has been especially apparent with sports games. Very popular during the handheld boom, sports games are presently taking a back seat to arcade-type games. Noting the present popularity of sports games on video, Lakin of Riss says, "People prefer video sports games because they're more realistic and the graphics are superior. Also, handheld sport games unfortunately got a reputation of just being dots and blips."

There is something of a silver lining in the video game cloud according to Kapica. Because suppliers are now producing fewer handhelds, buyers have less of a problem choosing between them and video games. "Picking the right handheld games is easier now."

Despite the present mania surrounding video games, there have been inklings of a shakeout in that business with a few companies facing financial problems. At least one electronic toy buyer, Poland of Federal Wholesale Toy, believes handhelds will weather the video boom. "Right now, more people are willing to put \$30 or \$40 into a game cartridge, especially when buying a gift. But there is still a definite market for handhelds because not everybody has the facilities to plug into a game system," says Poland. "The handhelds will still be popular." ■

Yamaha Bows Keyboard/Printer Unit

LOS ANGELES—Yamaha Specialty Products, a division of Yamaha International Corp., USA, has introduced what is believed to be the first electronic keyboard that prints musical notation for home use, the Mini-Printer MP-1.

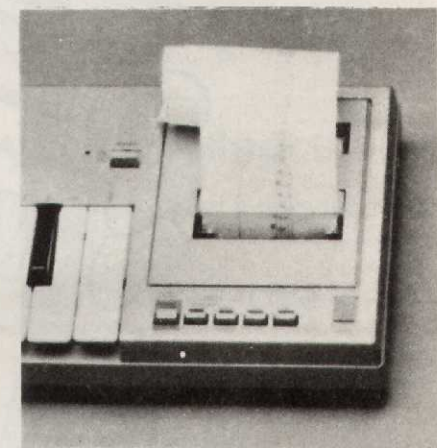
The compact MP-1 prints out melody lines in a variety of keys as well as producing staves, time signatures, rhythm and chord names, plus up to three sharps and flats on a 2½-inch wide paper roll.

The unit has a melody and chord sequence memory function allowing two-channel recording and playback. The user can also perform an ensemble with the memorized music.

Thumb Power Names Mgr.

SAN MATEO, Calif.—Thumb Power, a subsidiary of Audio-Source, has named Andrei Bar-gaoanu national sales manager.

He will be responsible for setting up the firm's distribution, promotion and service programs.



It also features ten realistic instrument voices, easy-play auto bass chord, arpeggio, ten live rhythms and a transposer with pitch control for tuning in with other instruments and vocalists.

Weighing four pounds, its compact dimensions are 1-7/8 x 27-3/4 x 6-1/2 inches. Available this month for under \$1,000.

Mini-Printer—Circle No. 199 on product card

Video Games

GCE Debuts Six Vectrex Cartridges

SANTA MONICA, Calif.—General Consumer Electronics is scheduled to introduce six video games at the Consumer Electronics Show this month for its Vectrex game system.

The games are called Sock-It, Flip Out, Fortress of Narzod and Bedlam. Two games are tentatively titled Power Trip and Spike, but may change, the firm says.

Sock-It is a soccer tournament that allows you to play against an opponent, either human or computer. The true-to-life perspective provides added thrills, GCE says.

Flip Out has the thrills of a real pinball game. Sharp hand-eye coordination is needed from your "ball's eye view" of the action. Keeping the ball on course isn't enough as added dangers lurk. The ball could disintegrate if the player doesn't watch out.

In Fortress of Narzod players work their way up the path leading to the fortress of Narzod. Deadly guardians hinder player movements. Once the player arrives,

he must destroy the monstrous gatekeeper, before he can demolish the enemy's fortress.

Bedlam is a fantasy adventure that pits players against increasingly difficult aliens. Not only does their meanness grow, but their proximity, speed, and rotation all grow.

Power Trip is set in the year 2513. When players strap their wings on for a little journey creatures begin to rise from the spider web below.

Vaporize the wave and the player will be transported to the award room and mount another trophy on the wall. The waves get increasingly difficult as players mount more and more trophies.

Spike is the first Vectrex talking cartridge, and no interface is needed. Simply plug the cartridge into the Vectrex unit and Spike speaks as so does Molly, Spike's girlfriend, who Spike must save from evil Spud.

GCE video games—Circle No. 205

20th Century Fox Offers New Games

SANTA CLARA, Calif.—Four new Atari-compatible cartridges are available from Twentieth Century-Fox Games of the Century. The formats of three of the games—Alien, Mega Force, and Fantastic Voyage—are based on the Fox movies of the same name.

Commenting on these new games, Fox Video Games President Frank O'Connell said, "These titles reflect our plan to create exciting, broad audience-appeal video games from movie formats."

In Alien, players must destroy the eggs of a wretched space creature before it destroys them. Mega Force puts you in a new war machine, the Motofighter. Your mission is to save a nation under attack by slipping past the enemy and wiping out their desert headquarters.

The players in Fantastic Voyage navigate their microscopic submarine through the body of a critically ill patient. You must avoid defense cells, bacteria, antibodies,

and enzymes on your way to confronting a life-threatening blood clot.

The fourth new game from Fox



is Turmoil in which you blast away at the enemy in your intergalactic fighter. Alien, Mega Force, and Turmoil carry a suggested list of \$34.95 while Fantastic Voyage will list for \$31.95.

Alien—Circle No. 151

Mega Force—Circle No. 152

Fantastic Voyage—Circle No. 153

Turmoil—Circle No. 154

U.S. Games Intros Eight New Games

SANTA CLARA, Calif.—U.S. Games Corp., a subsidiary of the Quaker Oats Company has announced details on eight new video games being introduced at WCES.

Seven of these cartridges are part of the Family Fun Series and each has a suggested retail of \$29.95, and are designed for the Atari VCS.

Eggomania is about a blue circus bear who escapes and is hungry. A taunting turkey appears and begins to drop the bear's favorite food, eggs. The object is for one

to four players to guide the blue bear's movements underneath the falling eggs.

Gopher concerns a hard-working farmer trying to raise the best carrots in the county. Unfortunately, a pesky gopher is constantly trying to steal his crop and carry it off. The farmer only has three carrots, but he can replenish his supply with the help of a comic duck that flies overhead dropping a carrot seed.

Piece O' Cake is one of the Family Fun Series of full-color

Continued on Page S41

Edu-cards[®]

introduces a new dimension in the computer learning experience.

Educational Software

the ultimate in educational entertainment

ES moves beyond video games to provide a sophisticated learning experience any child can operate without parental supervision. It uses positive reinforcement techniques and full color, high-resolution graphics to instruct and quiz the child. The series is currently compatible with the Apple II Plus[®] and is soon to be available for the Atari 800[®].

Edu-cards products have been at the forefront of educational entertainment since 1949. Come see our new dimension.

TOY FAIR

February 6-15 Room 1020
Fifth Avenue Building New York, NY



edu-cards

Edu-cards Division of KPB Industries • 2811 Brodhead Road
Bethlehem, PA 18017 • (215) 866-1444

Edu-cards[®] is a registered trademark of KPB Industries.

Top Executives Discuss the Portable Learning Aid Area

In the past few years electronic learning aids have become an important category for toy stores and toy departments. With a new emphasis being placed on education, concerned parents are buying an increasing number of these products for their children.

In light of increasing competition from home computer software, we asked top executives from the major manufacturers of electronic learning aids to give their expectations for the market in 1983. The opinions of those top executives follow.

MICHAEL KATZ

Vice President, Corporate Communications, Coleco Industries, Inc.

The market for "self-contained electronic" educational games and learning aids is healthy and should see significant growth in 1983. The reasons for this forecast can be summarized in the words "programmability," "price," "portability," and "computer-influence."

To elaborate, most or all of the current self-contained electronic games and learning aids are programmable and this is a plus. Products like Coleco's Quiz Wiz, for example, have over 30 quiz books available dealing with different subject matter and appealing to different age groups. Because Coleco's products and those of Texas Instruments and Mattel are programmable, the consumer will continually be able to expand, update and freshen the product so that it grows with the child.

The second reason is price, and I think that everyone would agree that there is a definite market for electronic product with an educational bent that can be purchased

for under \$100—a price point much below current video game systems or personal computers.

The third reason—portability—deserves special mention. Coleco's table top arcade games like Pac-Man, Donkey Kong and Frogger have proven that there is still a very sizeable market for self-contained games, even in light of competition from video game cartridges with similar themes. The advantage of being able to have a young child take an educational electronic game anywhere he goes is still a distinct benefit.

The fourth reason that Coleco expects growth from this category relates to the sizeable growth and emphasis in educational computer and video game software. This emphasis by manufacturers and interest from consumers will have a positive ruboff effect on the self-contained "play and learn" electronic games.

Coleco will be adding additional software to Quiz Wiz, which is going into its fifth year, and to the Electronic Learning Machine. We expect to increase significantly our share of this segment of the self-contained electronic game category in 1983.

RON JOHNS

Manager, Educational Products Division, Texas Instruments, Inc.

The learning aid market is continuing to shift to interactive products with "consumer-obvious" aftermarkets that allow children to discover on their own.

Educational cartridges for computers and video games will become a new product segment for learning aids for elementary-age children in 1983. The learning aid market for under-eight year-old

children will grow at 35 percent per year as parents try to provide their younger children with the same advantages that older children are receiving from computers.

The TI Magic Wand Speaking Reader with its printware is an excellent example of the new wave of interactive products that will create a new market category for younger children, as video game and computer cartridges have done for older children.

The Magic Wand marries the age of interactive electronics with exciting color graphics. In addition, aftermarket products can be provided in forms more natural to younger ages: books, posters, maps, stick-ons, and even talking or soundmaking toys, animals and dolls. The interactive subject matter is almost unlimited as illustrated by the 50 titles of printware being introduced in 1982 and 1983.

Texas Instruments will continue to maintain a strong lead in the electronic learning aid market in the years ahead.

OBIE REED

Product Manager, Educational Toys, Mattel Toys

The educational products category has shown dynamic growth since 1978 with an increase of over 90 percent while the toy industry has grown over 40 percent during that same period. Part of the reason is the growing concern by parents of insuring a quality education for their children in this age of budget cutbacks.

At Mattel, we don't expect the personal home computer market to impact significantly on our educational products business. The price points are completely different and in fact, our products are positioned as providing a headstart in becoming computer-literate and computer-comfortable.

In terms of the future of educational products, we project the sales pattern to be a bit more stable and a longer product life cycle than traditional toys. As for future learning aid products, we

look for toys that provide multiple capabilities, such as helping children improve reading and math skills, and secondarily the creative skills such as music and art, to be successful.

WILLIAM J. PASCO

Senior Vice President, Tiger Electronic Toys

The introduction of electronics to the learning aids category added new dimensions, the most important being the voice. Children no longer needed a person to advise them if they made a mistake, to encourage them to find the right answer, or to compliment them for being correct. Thus, a fun way was found to encourage playing with an educational product. We at Tiger expect our learning aids to be basics for many years.

We see the market as flat, however the price points involved in electronic learning aids make the category attractive to astute retailers. The only concern we have is the erosion of profits for the retailer caused by manufacturers who spring promotional advertising that dictates the product be sold at cost, or in some cases, less than cost. This affects the entire category.

We do not see home computer software as a threat. We see this as an opportunity. When a category is blessed with new emphasis, it stimulates the entire category. The growth of home computers is obvious, the results can only be an increased desire for participation by the entire family in electronic learning.

We feel programming will be a very limited part of learning aids. I would compare it to music. Let the experts create the program, and the rest of us can enjoy the results.

We feel a learning aid that serves multiple needs, one that is programmed for different types of learning experiences is what the consumer is looking for. Learning aids that expand with the user are the most popular.

PERSONAL COMPUTER TM



VZ1000

VISIT US
AT CES,
BOOTH 1125

See the new wave
of personal computers
from Video Technology.

Video Technology will show
you a whole new meaning to
"state-of-the-art" with a complete line:
personal computer and accessories,
CreatiVision™ Video Games and Car-
tridges and self-contained LCD games.

**A lot more than
Timex® Sinclair 1000*
for a lot less!**

Video Technology (U.S. Inc.)
2633 Greenleaf Avenue
Elk Grove Village, IL 60007 • (312) 640-1776
Video Technology Ltd., Kowloon, Hong Kong

VTECH

Based on comparative specifications as of 11/15/82. Timex is a registered trademark of Timex Corp.

New Atari Controllers From Suncom



Suncom, Inc., Wheeling, Ill., offers two Atari-compatible game controllers, Starfighter and Slik Stik. (Circle No. 202 on product card).

Children's Videocassettes

Media Home Entertainment Launches Wilderness Promo

LOS ANGELES—Media Home Entertainment and Wilderness Log Homes, Plymouth, Wis., will give away more than 200 prizes in a promotion for the Wilderness films that Media Home will be releasing this year.

The "Great Wilderness Give-

Away Sweepstakes" has been created to promote Media's nine Wilderness films, according to Ron A. Safinick, president.

The Grand Prize will be a complete pre-fab log cabin, which will be featured in Media's Sweepstakes counter cards. The cards will be shipped to more than 6,000 retail stores throughout the country during the first week of this month.

Stores will also receive entry blanks, fact sheets and a four-color poster of four Wilderness films: *Across the Great Divide*, *Challenge to be Free*, *The Adventures of the Wilderness Family*, and *Wilderness Family Part 2*.

Other films in Media's Wilderness Package includes *Mountain Family Robinson*, *American Wilderness*, *Wonder of it All*,

Vanishing Wilderness, and *Great Adventure*.

Media will premier the "Wilderness Sweepstakes" at the Consumer Electronics Show this month.

Additional prizes in the contest are the following: a library of four Wilderness movies on videocassette; individual videocassettes of

Continued on Page S38

MGM/UA Debuts Seuss Cassette

NEW YORK—The television adaptations of Dr. Seuss' popular books, "Horton Hears A Who" and "How The Grinch Stole Christmas" have been packaged together by MGM/UA Home Video on the Dr. Seuss Video Festival.

The new package featuring these two Dr. Seuss favorites will be marketed at a suggested list price of \$49.95 on videocassette and \$24.95 on videodisc.

The Peabody Award-winning "Horton Hears A Who" stars the elephant Horton who rhymes his way through life. In this popular Seuss fable, Horton attempts to save the villagers of Whoville.

Boris Karloff is heard as the voice of the title character in "How The Grinch Stole Christmas". The miserly and mean Grinch lives to ruin the Christmas celebration in Whoville only to discover that the real spirit of Christmas is beyond his grasp.

Dr. Seuss Video Festival—Circle No. 196 on product card

RCA/Columbia Promotes Annie

BURBANK, Calif.—RCA/Columbia Pictures Home Video is undertaking its biggest promotional push ever for its new videocassette release, *Annie*.

"This program offers something for everyone—the distributor, the retailer, and the consumer," said Robert Blattner, vice president and general manager. Special p-o-p material has been created, noted Blattner, including a life-size standee of Annie and her faithful canine companion, Sandy.

Annie stars Aileen Quinn as the curly-haired orphan in search of her parents. Albert Finney plays the billionaire Oliver Warbucks and Ann Reinking is his secretary, Grace, who brings Annie to his mansion to help her boss' image.

Annie also stars Carol Burnett as the nasty Miss Hannigan and Bernadette Peters and Tim Curry as the conniving couple who pose as Annie's parents to collect Warbucks' reward. *Annie*, which is available in stereo on VHS, has a suggested retail price of \$79.95.

Annie—Circle No. 193 on product card

Synapse delivers

Games for all seasons!

PICNIC AREA

SHAMUS

FARK!

REPTILIAN

NAUTILUS

DODGE RACER

CHICKEN

SLIME

PROTECTOR II

CLAIM JUMPER

Most games available in disk, cassette, and cartridge for Atari 400/800 computers.
Many titles soon available for the VIC 20, VIC 64, and IBM-PC.

Atari is a registered trademark of Atari, Inc.
VIC 20 and VIC 64 are registered trademarks of Commodore, Inc.

IBM-PC is a registered trademark of IBM, Inc.
All game titles are trademarks of Synapse Software.

synapse

5327 Jacuzzi St., Suite I, Richmond, CA 94804

Circle No. 17 on product card

Media Home Launches Promotion

Continued from Page S37

four different Wilderness films; a sleeping bag and backpack from the Wilderness Experience of Chatsworth, Calif.; and ten one-year subscription of Audubon Magazine.

Other prizes in the contest are the following: twenty-five Wilder-

ness Family soundtrack albums from Hy-Lo Music, Los Angeles; one hundred Wilderness Family books from Scholastic Book Services, New York; and five fine art prints.

Winners will be selected from entry blanks at Media's offices, here, on March 15.

Warner Home Video Unveils Exercise Programs and Cartoons For Children

NEW YORK—Two video exercise programs designed for children by Suzy Prudden and a collection of classic cartoons are new from Warner Home Video.

One of the *Tip Top! With Suzy Prudden* videocassettes is designed

for children ages three to six, and the other is for kids age seven and above. In each six-part program, fitness expert Suzy Prudden leads a group of youngsters through a series of warmup activities and

Continued on Page S39

Syncro's Challenging Adventures

for the
Atari*
400/800
computers.



Syncro cassettes and disks
can be ordered from your
favorite dealer.

MAZE OF DEATH® A fast paced, action packed, color graphic adventure pitting you against a mad scientist. 16K cassette/ 24K disk.

MAR TESORO® Rent a boat and crew, and dive for sunken treasure. You can find a fortune or be crushed by a giant octopus in this color graphic adventure. 24K cassette/ 32K disk.

DRAC IS BACK® Roam the 200 room castle of Drac, but make certain you have wooden stakes and silver bullets. A non-graphic, multi-colored adventure with enlarged text. 24K cassette/32K disk.

ALIEN HELL® A color graphic adventure. Solve the riddle for your escape. A challenge for the experienced adventurer. 16K cassette/24K disk.

WORDMANIA® A challenging word game for 1 or 2 players. Developed to improve typing skills, word recognition, spelling and concentration. 16K cassette/ 24K disk.

ASTRON IV® As space warriors you battle robots and deadly Orbitron to destroy the pirate asteroid. A color graphic adventure. 16K cassette/24K disk.

Coming soon

LASER ANTS® and **ASTRON IX®**

*Indicates trademark of Atari, Inc.

All Syncro cassette programs are recorded complete on both sides with music track. All cassettes use high quality data tape and housing and each cassette is load tested.



SYNCRO, INC.
SOFTWARE DIVISION

742 Hampshire Road, Unit C
Westlake Village, CA 91361
(213) 889-9508

In Canada, CONTACT: MICRO Marketing Canada • 169 Inglewood Drive, Toronto, Ontario M4T1H8 (416) 484-9111

Children's Videocassettes

Family Home Offers a Strawberry Shortcake Cassette

NEW YORK—Family Home Entertainment is releasing *Strawberry Shortcake In Big Apple City* this month on videocassette. Distributed exclusively by MGM/UA Home Video, the cassette will have a suggested retail of \$29.95.

In addition to the videocassette, a Random House pop-up book entitled "Strawberry Shortcake And The Berry Harvest" will be pack-

aged and given away with each videocassette sold.

Strawberry Shortcake in Big Apple City brings together all of the animated character's friends from Strawberryland as well as the new friends she has made in Big Apple City. The videocassette also includes several short cartoons.

In a prepared statement, MGM/UA Home Video said that they



anticipated the \$29.95 list price would help open more toy stores to videocassettes.

Another new addition to Family Home's line is *A Gumby Adventure, Volume 5*. FHE has other Gumby videocassettes in its line.

Strawberry Shortcake cassette—Circle No. 228 on product card
Gumby, Vol. 5—Circle No. 229

Disney Unveils Tron Cassette

BURBANK, Calif.—Walt Disney Home Video has released the computer-animated film *Tron* to the home video market.

Tron is the first Disney film to be released simultaneously on videocassette and both CED and laser videodisc. Released theatrically this past July, the film features a visually stirring combination of computer graphics and live action.

Beau Bridges stars as a computer.
Continued on Page S40

Warner Videocassette Line

Continued from Page S38

exercises set to contemporary music.

Suzy Prudden is the author of seven books on fitness including her most recent, "Suzy Prudden's I Can Exercise Anywhere Book." She is the daughter of Bonnie Prudden, the well-known fitness expert. Each of the new exercise videocassettes have a \$39.95 suggested retail price.

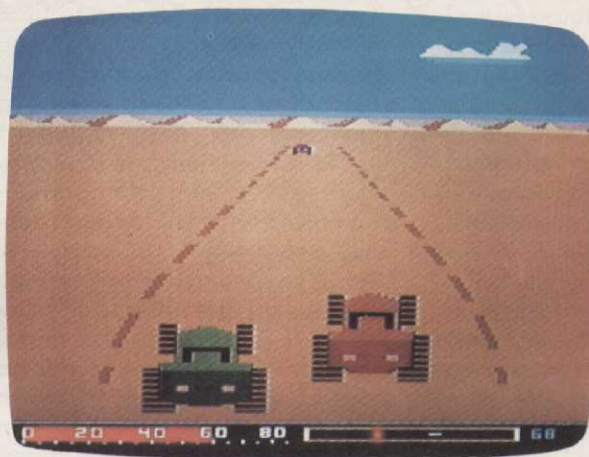
Also new from Warner is a collection of seven cartoon anthologies entitled *The Looney Tunes Video Shows*. Each of the seven volumes contain seven cartoons



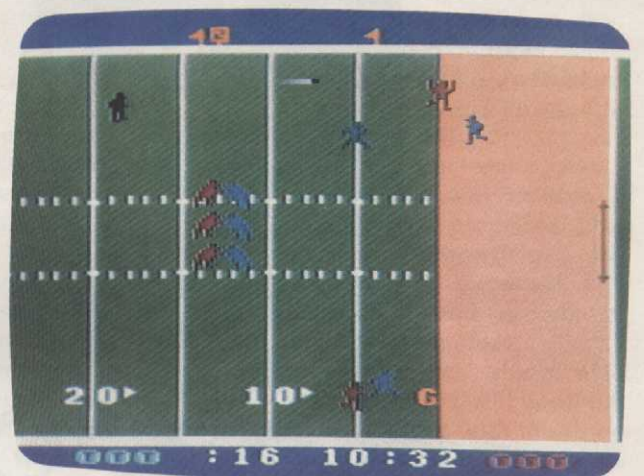
and retail at a suggested list price of \$39.95. Many of the cartoons, which were created by the Academy Award-winning Warner Bros. cartoon studio, have never been seen on network TV.

Suzy Prudden Videocassettes—Circle No. 194 on product card
Looney Tunes Video Shows—Circle No. 195

We Give Your Atari® 400/800™ Customers Something Different. Sports Games That Come Alive!



BAJA BUGGIES™



STARBOWL™ FOOTBALL

In this hit or miss world of "me too" arcade fads, GAMESTAR gives your Atari® Home Computer customers something different—sports games that come alive. With exciting, lifelike animation. Totally involving sounds. And challenging play so realistic, players will want to cheer.

GAMESTAR brings sports games alive because sports are all we do. A one-of-a-kind product line that emphasizes *quality* over quantity. Sales *stability* over sales boom and bust. And *brand* awareness over everything else.

GAMESTAR sports games are backed by a marketing program that actually makes marketing sense. To keep your customers coming back game after game. And help you maximize sell-through and profits.

To find out more about the sports games that come alive and our exciting 1983 game plan, contact a GAMESTAR account executive today at (805) 963-3487 collect. Or write: GAMESTAR, INC. 1302 State St. Santa Barbara, CA 93101.



WE BRING SPORTS ALIVE.

© 1982 GAMESTAR, INC.
All Rights Reserved

Atari and 400/800 are
Trademarks of Atari, Inc.

Circle No. 19 on product card

CBS Software Debuts Several New Game Cartridges

Continued from Page S31
be shown at CES.

In addition, CBS will introduce Beau Coup To You, a children's activity software package for the Atari 400 and 800. The first package, which is a prototype, included wordgames, puzzles and riddles. Auer hopes that if the package is

received well, it will become a series of software for children.

K-Byte licensed games—Circle No. 173 on product card
Domino Man and Blue Print—Circle No. 174
Time Trials—Circle No. 175
Beau Coup To You—Circle No. 176

Disney Releases Tron Cassette

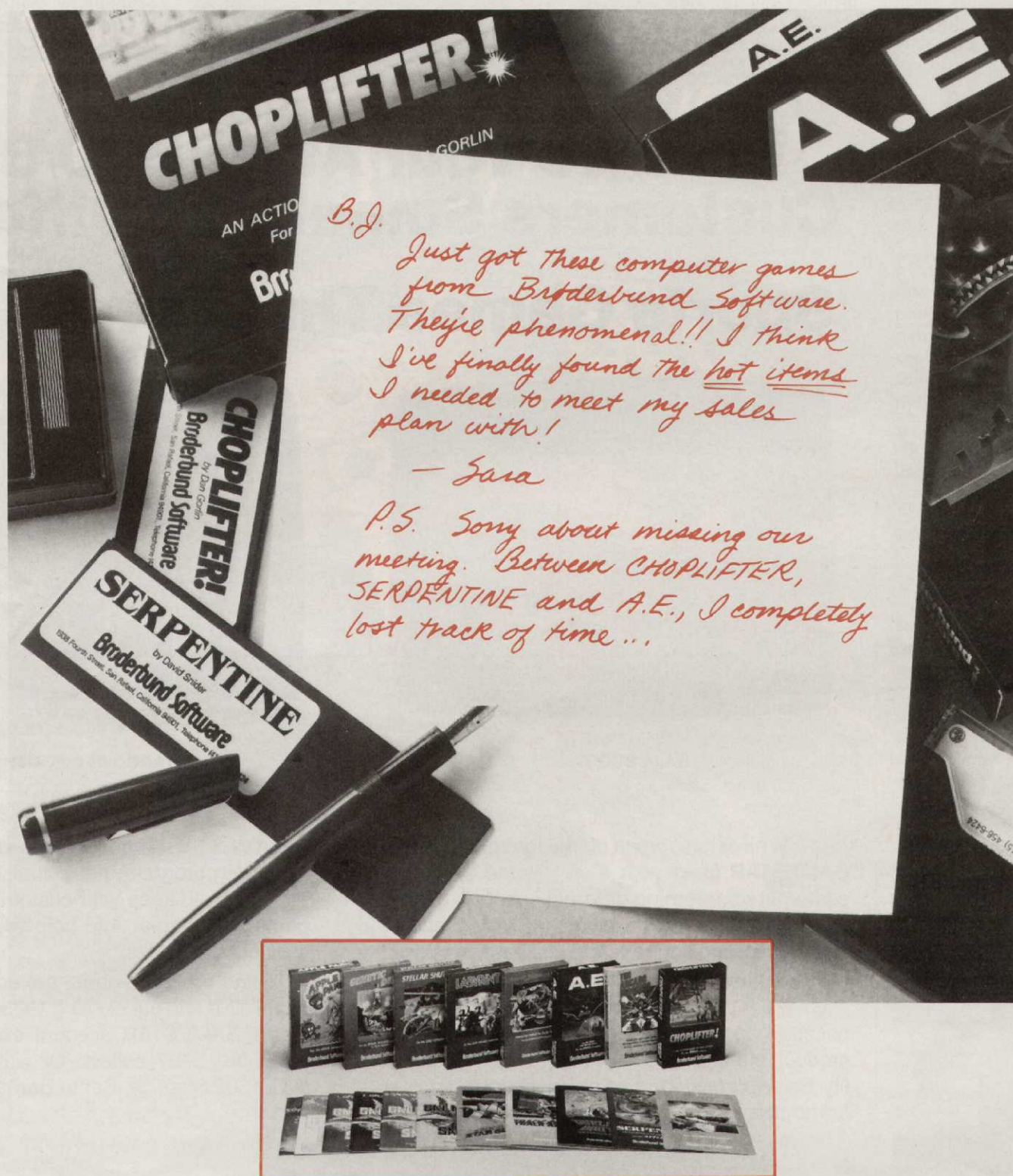
Continued from Page S39

er programming whiz who gets drawn into a video game. There he joins up with Tron, played by Bruce Boxleitner, and together they take on the Master Control Program.


A major promotional push including posters and demo tapes is

being undertaken by Disney for Tron. Suggested retail price is \$84.95 on videocassette, \$34.95 on LaserDisc, and \$24.98 on CED, the company says.

Tron videocassette—Circle No. 214 on product card



Brøderbund Software is conquering the field! With irresistible games for the Atari, Apple, VIC-20, and IBM microcomputers. Our full line of best sellers is triggering the imagination of computer gamers everywhere. With brilliant color graphics, lively animation, and lasting playability found only in Brøderbund games. It's no wonder we're a recognized leader in entertainment software for microcomputers. See our proven performers for yourself at CES booth #4022. You'll agree. Our games are worlds apart from the ordinary.

 **Brøderbund Software™**

Brøderbund Software, Inc., 1938 Fourth Street, San Rafael, CA 94901 Telephone (415) 456-6424

Atari, Apple, VIC-20, and IBM are the registered trademarks of Atari, Inc., Apple Computer, Inc., Commodore Business Machines, Inc., and International Business Machines, Inc. respectively.

Guest Viewpoint

The Development of the Home Electronic Games Market

By **PETER PIRNER**
Senior Vice-President of Marketing
Mattel Electronics

During this time of year, all industry eyes are focused on the latest advances in the area of home electronics. Because of this, I believe it is time to take a reflective look back at the short and



Peter Pirner

eventful history of this billion dollar industry in order to appreciate more fully where we are today and where the industry will be tomorrow.

While all electronics companies have their own unique origin, Mattel Electronics traces its roots back to Mattel Toys in Hawthorne, Calif. Mattel, along with other manufacturers, became involved in the electronic business with the introduction of handheld electronic games in the mid to late 1970s. These

products were made possible due to the development of low-cost integrated circuits and mini-computers on a chip. In 1977, the electronic games industry blossomed with a large number of companies entering the field and a tremendous amount of products on the retailers' shelves. The rapid growth of the portable games business continued through 1979.

OVERSUPPLY CRISIS

In 1980, second-generation sports and action handheld games were developed featuring both better graphics and game play. As Christmas approached, however, so did an industry crisis with retailers and manufacturers facing a severe oversupply of electronic games.

Since that time, this category has been reborn with manufacturers offering products with broader appeal. In addition, many innovative portable electronic products have been developed in the area of music such as electronic keyboards and the like.

During the late 1970s, home video games were introduced to the public. The Atari Video Computer System was unveiled in 1977 while the Intellivision Home Video System followed in February, 1980. Portable electronic games were partly responsible for the development of this product category by generating revenue that could be re-invested in research and development.

Intellivision was initially designed as a computer-based home video system that consisted of both the Master Component and the Keyboard. The unit was to provide both video game and personal computer capabilities in education, self-improvement and financial matters.

By October 1980, Intellivision was not selling. It became clear that the Intellivision product and advertising strategy of being more than a video game was not working. Atari video game sales were booming, while the Intellivision system collected dust on retail shelves. It was feared that if Intellivision did not succeed in the Christmas 1980 marketplace, it would not survive as a product.

CHANGING FOCUS

Mattel decided that Intellivision lacked product focus and should be repositioned as the most sophisticated video game system available. The Master Component became the focal point of the campaign while the Keyboard was de-emphasized. We were ahead of the times with our computer system.

To persuade consumers that Intellivision is the most sophisticated video game system, it was necessary to communicate superiority. We created a new advertising campaign which compared Intellivision to Atari in a series of side by side comparisons. The advertising visually demonstrated the

superiority of Intellivision graphics and game play.

The new Intellivision Plimpton Comparative Campaign was aired on network television beginning November 24, 1980. One month after the first airing—Intellivision was sold out at retail. In 1981, sales continued to boom and Mattel Electronics became a separate operating division of Mattel.

NEW ENTRANTS

Soon other companies entered the video game battlefield by introducing new hardware units as well as software for the Atari and Intellivision systems. During 1982, Mattel Electronics introduced its own line of Atari VCS-compatible video game cartridges known as M Network. Our engineers designed these cartridges to maximize the capabilities of the Atari system. It is not that we're so clever, we just saw a market need, as did companies like Activision, Imagic and Coleco, and decided to address it.

Issues facing electronics manufacturers in 1983 will include a continued pressure on prices, proliferation of competition, increased marketing expenses and the introduction and growth of low-cost home computers.

Mattel Electronics along with other manufacturers will continue to meet these issues with the same zeal which made home electronics the dynamic and successful industry it is today. ■

Synapse Debuts Game Software

RICHMOND, Calif.—Synapse Software has released several new

Scholastic Software Line

Continued from Page S30

adventure game of computer programming." Children learning the building blocks of computer programming, such as the language BASIC and LOGO, the company says.

Nerd Alert is an action game, where the object is to prevent the nerds from taking over the local high school.

An Electronic Birthday, the computer becomes the master of ceremonies at a children's birthday party. You can play pin the tail on the donkey, musical chairs, or learn facts about the child's date of birth.

Your Computer is designed for all four components mentioned earlier. It teaches children, and adults, how to fully take advantage of their computer, the firm says.

game programs designed for Atari's 400 and 800 home computers. Included among the new games are Nautilus and Chicken.

In Nautilus, the player commands a submarine armed with a full stock of torpedoes. On the surface there are destroyers dropping depth charges and motion-seeking missiles hunting you down. Below the water trouble appears in the form of mines and frogmen attempting to impede your progress.

Chicken features a wily fox who has stolen some eggs from the Mother Hen. The player, in the form of the Mother Hen, must rescue the eggs from the evil clutches of the fox before the eggs turn into chicks.

All the new games from Synapse come in disk, cassette, and ROM except for Nautilus which is not available in ROM. Disk and cassettes have a suggested retail price of \$34.95 while the ROM games are \$44.95.

Synapse Software—Circle No. 234 on product card

U.S. Games Unveils Eight New Titles

Continued from Page S35

video games produced by the U.S. Games for use with the Atari VCS. Using the paddle control, the player moves the baker above an open conveyor belt where a plate is slowly moving.

Entombed is a one- or two-player game designed to be the ultimate maze game, pits the single player through a twisting maze that scrolls vertically from the bottom to the top of the screen.

The player must grope through the maze to find an escape route at the bottom of the screen.

In Raft Rider players must maneuver the raft down the river as far as possible, racking up points for each "mile" traveled. The raft must avoid rocks, trees and a moose in the water to complete the journey successfully.

Using the paddle control, a player must maneuver the swatter under the hovering fly nearest the hamburgers and swat it into a container in the middle of the screen, in the new game Picnic.

Points are scored for each fly swatted and bonus points are awarded for landing them in the

container. After each wave, a more aggressive "Super Bug" attacks the burgers.

Squeeze Box is an escape game with six game variations. It involves a pistol-packing jailbird who must shoot out blocks in the wall to avoid being "zinged" by the ever-closing multi-color walls.

Bungling Barney racks up points as he shoots away blocks, and, after blasting a hole in the wall, he moves to the next room where the walls close at an even faster rate. He's got three chances to escape before he faces the "hot-test" trip of all, the firm says.

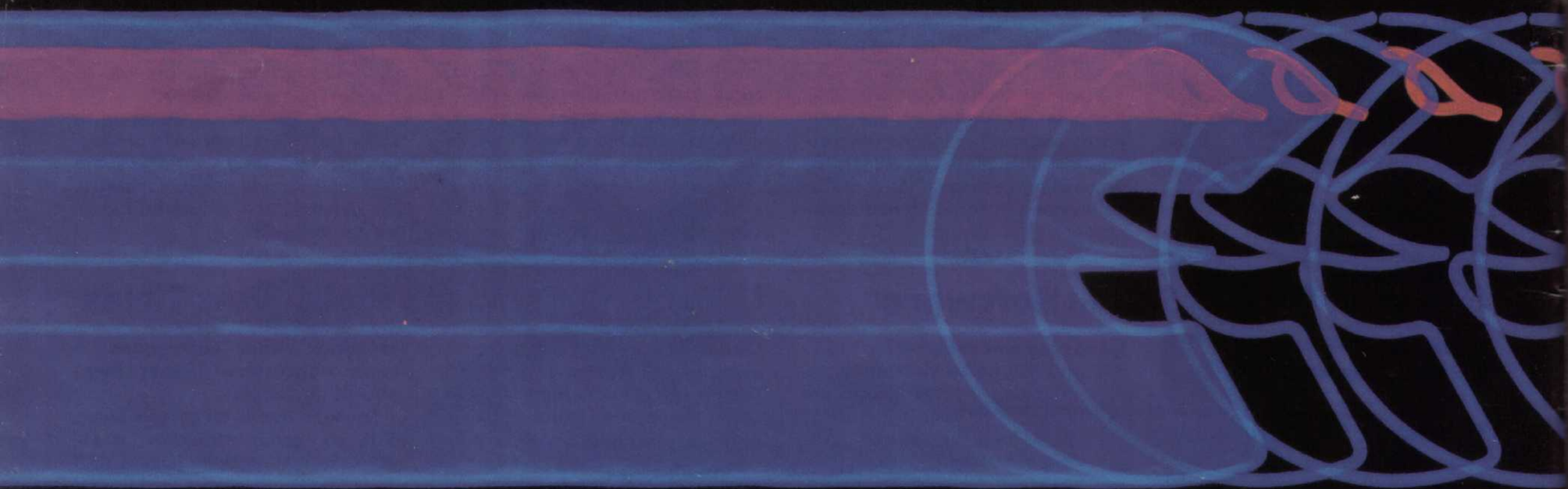
M.A.D. is one of the Action and Adventure Series of full-color home video game cartridges produced by U.S. Games.

Players can pit themselves against the computer-controlled missiles or, let another player guide the missile and do battle head to head. The missiles come in waves above the energy stations and dive headlong into their targets, U.S. Games says.

Eight U.S. Games titles—Circle No. 204 on product card

Wizware line—Circle No. 224 on product card

EPOCH. WE'R THE COM



EPOCH. Our name means a time when exciting things happen. And 1983 will be the most thrilling yet. We're launching a new generation of games more imaginative than anything yet conceived.

Be part of the excitement with Epoch.

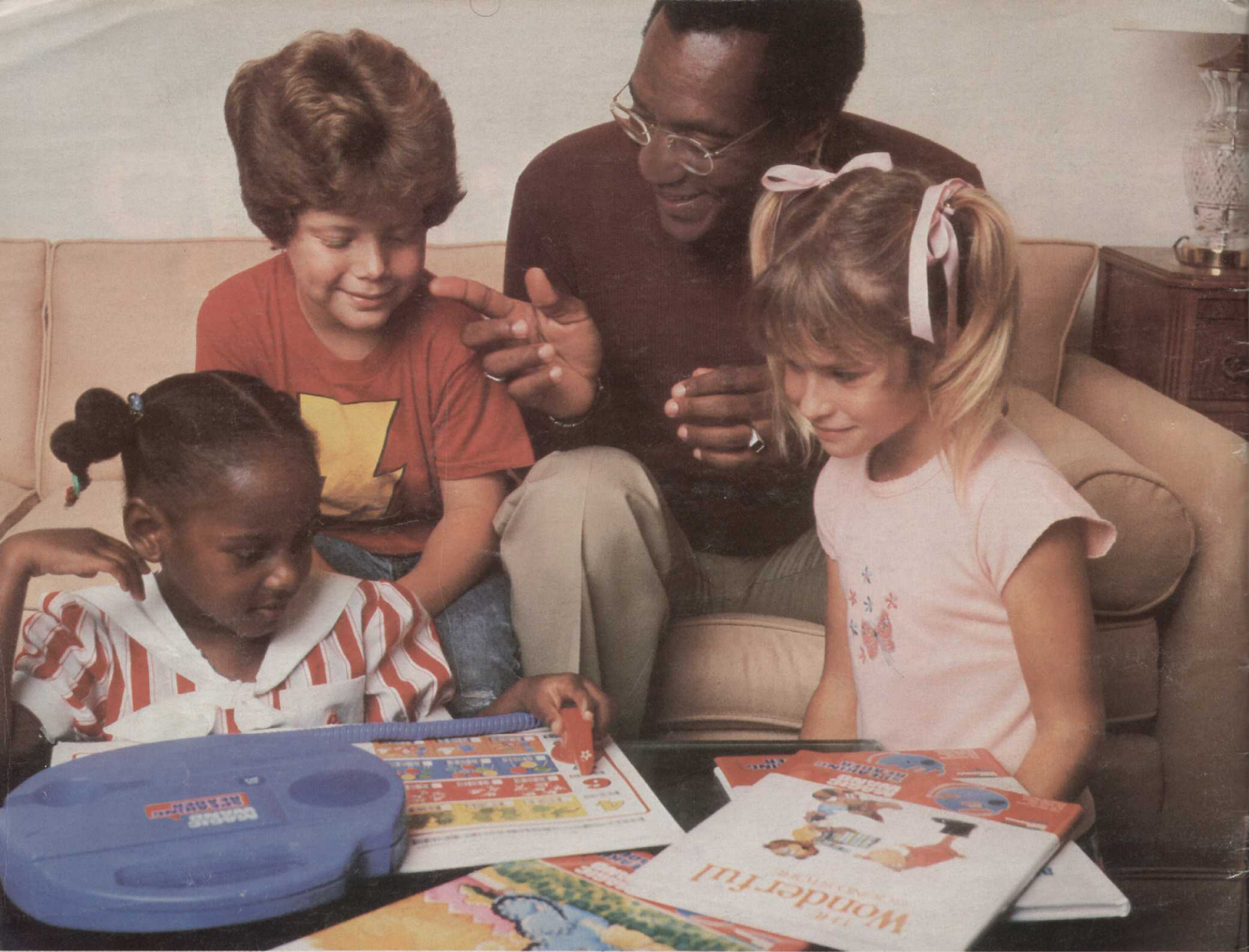
E EATING UP PETITION.



EPOCH
CORPORATION

EPOCH CORPORATION 37 SMITH STREET, ENGLEWOOD N.J. 07631 (201) 894 • 9000
TOYFAIR SHOWROOM: 1107 BROADWAY, NEW YORK CITY 10010 SUITE 301 (212) 741 • 3535

Circle No. 15 on product card



TI's Magic Wand[™] Speaking Reader. The more it does for them, the more it will do for you.

Texas Instruments is opening doors to young minds and repeat business with the Magic Wand Speaking Reader—the electronic learning aid that grows with the child from basic reading skills through math, music, geography, spelling and board games.

The child becomes an active participant in the learning process by passing an electronic wand over a bar code printed beneath the words of each special companion reader. Magic Wand then says the words as the child sees them. And as the child grows older, an ever-expanding library takes him from basic pre-school activities to a wealth of subjects and exercises—bringing him back for more books—and more educational fun—as he grows and progresses.

The Magic Wand concept is creating a new, profitable segment for after-market software. The low cost and wide appeal of the software books make



them attractive to parents and children alike. Such well-known characters as *E.T.*[™] and the *Berenstain Bears*[™] will have consumers asking for the book by name. All this is supported by strong national advertising and self-demonstrating POP, both highlighted by superspokesman Bill Cosby.

Ask your Texas Instruments representative about the Magic Wand Speaking Reader. It's a whole new breakthrough in learning—and earning. And it's only from Texas Instruments.

Creating useful products
and services for you.

**TEXAS
INSTRUMENTS**

Circle No. 16 on product card